



RESOLUTION

AMENDING THE BY-LAWS OF ALL SUBSIDIARIES OF PENNICHUCK CORPORATION

CITY OF NASHUA

In the Year Two Thousand and Fifteen

WHEREAS, the City of Nashua is the sole shareholder of Pennichuck Corporation and each of its subsidiaries;

WHEREAS, under Article IX (2) of Pennichuck's Articles of Incorporation, the City, acting in its capacity as Pennichuck's sole shareholder, must approve any action to amend the By-Laws of the Corporation of any of the Subsidiaries; and

WHEREAS, Pennichuck is requesting amendments to the By-Laws of Pennichuck's five corporate subsidiaries: Pennichuck Water Works, Inc., Pennichuck East Utility, Inc., Pittsfield Aqueduct Company, Inc., Pennichuck Water Service Corporation, and the Southwood Corporation, as shown on the attached documents.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City of Nashua hereby approves the attached proposed amended By-Laws of each of Pennichuck Water Works, Inc., Pennichuck East Utility, Inc., Pittsfield Aqueduct Company, Inc., Pennichuck Water Service Corporation, and The Southwood Corporation.

DRAFT – 7/2/15
PROPOSED BYLAWS FOR ALL SUBSIDIARIES OF PENNICHUCK CORPORATION

AMENDED AND RESTATED BYLAWS OF
[NAME OF CORPORATE SUBSIDIARY] (the “Corporation”)

ARTICLE I

PRINCIPAL OFFICE

The principal office of the Corporation shall be in the State of New Hampshire.

ARTICLE II

SHAREHOLDER

Section 1. Place of Meetings. All annual and special meetings of the shareholder shall be held at the principal office of the Corporation or at such place within the State of New Hampshire as the Board of Directors may designate.

Section 2. Annual Meetings. A meeting of the shareholder of the Corporation for the election of Directors and for the transaction of any other business of the Corporation shall be held annually in the month of May, at such time and on such date as the Board of Directors may designate.

Section 3. Special Meetings. Special meetings of the shareholder for any purpose or purposes, unless otherwise prescribed by the laws of the State of New Hampshire, may be called at any time by the Chief Executive Officer or a majority of the Board of Directors and shall be called upon the written request of the shareholder. Such written request shall state the purpose or purposes of the meeting and shall be delivered at the principal office of the Corporation addressed to the Chief Executive Officer or the Secretary.

Section 4. Notice of Meeting; Waiver of Notice. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than sixty days before the date of the meeting, either personally or by mail or e-mail, by or at the direction of the Chief Executive Officer, the Secretary or the officers or persons calling the meeting, to the shareholder. The shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to the notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
- (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 5. Fixing of Record Date. For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purposes, the Board of Directors shall fix in advance a date as the record date for any such determination or, in the absence of such a determination by the Board, the record date shall be as provided in RSA 293-A:7.05(d).

Section 6. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. In the absence of a quorum at any meeting, or any adjournment thereof, the shareholders present, in person or by proxy, at such meeting shall have the power to adjourn the meeting from time to time, without further notice, until shareholders holding the requisite number of shares shall be so present. The shareholders present, in person or by proxy, at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or his, her or its duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 8. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by any officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

Section 9. Voting. Every shareholder entitled to vote at any meeting shall be entitled to cast one vote, in person or by proxy, for each share of stock held by the shareholder. Unless otherwise provided by law or in the Corporation's Articles of Incorporation or these Bylaws, a majority of votes cast by shareholders shall be determinative.

ARTICLE III

THE BOARD OF DIRECTORS

Section 1. Number. The Board of Directors shall consist of a number of persons, not less than seven nor more than thirteen, to be fixed from time to time by the Board of Directors.

Section 2. Election; Term; Vacancy. Directors shall be elected at the annual meeting of the shareholder. Each Director shall hold office until the next annual shareholder meeting, except in the case of earlier death, resignation or removal. If the Director's term has expired, the Director shall continue to hold office until their successors in office have been chosen and qualified. Any vacancy occurring in the Board of Directors in between annual meetings of the shareholder, due to death, resignation or any other cause including an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining Directors although less than a quorum of the Board of Directors. The remaining Directors may appoint a person to fill the vacancy until the next annual meeting of shareholder.

Section 3. Qualification. No Director shall be required to be a shareholder of the Corporation.

Section 4. Resignation; Removal. A Director may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. Any Director may be removed from office with or without cause by a vote of the holders of two-thirds of the shares entitled to vote at an annual meeting held inter alia for the purpose of electing Directors.

Section 5. Regular Meetings. The Board of Directors shall hold regular meetings at such times as the Board may designate. The regular meeting of the Board in the month of May of each year shall be the annual meeting of the Board and shall be held immediately following the annual meeting of shareholder.

Section 6. Special Meetings. Special meetings of the Board in lieu of or in addition to the regular meetings shall be held at such times as the Chairman of the Board, Chief Executive Officer or any Directors may require.

Section 7. Notice. Notice of regular and special meetings shall be sent by the Secretary or Chief Executive Officer by mail or e-mail, at least five days prior to the day of the meeting, or delivered in hand or by telephone at least twenty-four hours prior to the time of the meeting. Any Director may waive notice of any meeting in writing filed with the Secretary. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business and thereafter does not vote for or assent to any action taken at the meeting.

Section 8. Quorum; Voting. A majority of Directors shall constitute a quorum for the transaction of business at the meetings of the Board, and the act of a majority of those present at

any meeting at which a quorum is present shall be the act of the Board of Directors, subject to the limitation with respect to those Reserved Powers described in Section 9.

Section 9. Reserved Powers. Notwithstanding any other provision of the Articles of Incorporation or Bylaws of the Corporation, the following actions shall not be taken unless and until the same has been approved by the shareholder, in accordance with the requirements of the Articles of Incorporation and Bylaws of the shareholder (collectively the “Reserved Powers”):

- (a) any action to change the name of the Corporation;
- (b) any action to amend the Articles of Incorporation or Bylaws of the Corporation;
- (c) any action to issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Corporation;
- (d) any action to authorize the Corporation to merge or consolidate with or into, or acquire all or substantially all of the assets of, any corporation, partnership, limited liability company or any other business entity or person; or
- (e) any action to sell, lease, transfer or otherwise dispose of all or any substantial part of the assets (whether in a single transaction or series of transactions during any consecutive 12-month period) of the Corporation other than in the ordinary course of the business of the Corporation.

Section 10. Presence at a Meeting. Unless the Articles of Incorporation provide otherwise, any or all Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (1) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he or she delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 11. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or by a committee at a meeting may be taken without a meeting if written consent thereto, setting forth the action so taken, shall be signed by all of the Directors or by all of the members of the committee. The consent may be contained in a single document or may be contained in more than one document so long as the documents in the aggregate contain the required signatures.

Section 12. Duties and Powers. The Board of Directors shall be vested with the oversight of management and direction of the affairs of the Corporation and shall have and exercise all the powers possessed by the Corporation so far as such delegation of authority is not inconsistent with the laws of the State of New Hampshire, the Articles of Incorporation and these Bylaws.

Section 13. Committees. The Board of Directors, by resolution adopted by a majority of the full Board, may designate from its members one or more committees each of which, subject to the limitations of the laws of the State of New Hampshire, shall have and may exercise all of the authority of the Board to the extent provided in these Bylaws or in any such resolution. The provisions of these Bylaws that govern meetings, actions without meetings, notice and waiver requirements and quorum and voting requirements of the Board shall also apply to committees and their members.

Section 14. Director Compensation. Unless otherwise provided in the Articles of Incorporation, by resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any capacity and receiving compensation therefor.

ARTICLE IV

OFFICERS

Section 1. Number. The officers of the Corporation shall consist of a Chief Executive Officer, a Treasurer, a Secretary and such other officers as the Directors may, from time to time, determine. Two or more offices may be held by the same person.

Section 2. Election. Each year at the annual meeting of the Board of Directors, the Directors shall determine the number of offices to be filled and shall elect officers to fill such positions for the ensuing year and until their successors are duly qualified, or until their death or until they shall resign or be removed in the manner hereinafter provided. Directors from time to time may fill any vacancy that may exist in any office and may elect such other officers as they may determine to be necessary to manage the affairs of the Corporation. Election or appointment of an officer, employee or agent, shall not of itself create contract rights. The Board of Directors may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable law and regulation; but no such contract shall impair the right of the Board of Directors to remove any officer at any time in accordance with Section 3 of this Article IV.

Section 3. Resignation; Removal. An officer may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. The Board of Directors may at any time suspend the right of any officer to perform such officer's duties and may remove any officer with or without cause at any meeting of the Board by vote of a majority of the full Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Duties and Powers. The duties of certain officers shall be as specified in this Section 4, as otherwise provided in these Bylaws, and as determined from time to time by the Board of Directors or the Chief Executive Officer.

- (a) Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation, and shall have the responsibility for the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholder or the Directors.
- (b) Treasurer. The Treasurer shall negotiate loans and receive and disburse all other funds of the Corporation, and for this purpose, shall have authority to sign checks upon any account of the Corporation in any bank or similar type of institution.
- (c) Secretary. The Secretary of the Corporation shall be a resident of the State of New Hampshire. The Secretary shall be registered with the Secretary of State of the State of New Hampshire as the registered agent. The Secretary shall record the proceedings of the meetings of the shareholder and Directors showing the names of the persons present. The Secretary may give notice of all meetings of the shareholder and the Directors required by these Bylaws.

Section 5. Compensation. The compensation of the officers of the Corporation, if any, shall be fixed in a manner approved by the Board.

ARTICLE V

INDEMNIFICATION

Section 1. Suits, Etc. Other Than by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement

actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Suits, Etc. by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

Section 3. Scope of Indemnification. To the extent that a Director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter based on Section 1 or 2 above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Indemnification. Any indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 above. This determination shall be made:

- (a) By the Board of Directors by a majority of vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;
- (b) By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs; or
- (c) By the shareholder.

Section 5. Payment of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 4 above, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this section.

Section 6. Other Rights. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of the shareholder or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of that person.

Section 7. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against this liability under the provisions of this section.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Documents and Instruments. To the extent permitted by laws of the State of New Hampshire, and except as otherwise prescribed by these Bylaws with respect to certificates for shares, the Chief Executive Officer, Treasurer, or any other officer of the Corporation shall be authorized to execute contracts, deeds, leases and all other documents. Notwithstanding the foregoing the Board of Directors may by special vote authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the Board of Directors may select.

ARTICLE VII

CERTIFICATES FOR SHARES AND THEIR TRANSFERS; RESTRICTIONS

Section 1. Certificates for Shares. Certificates representing shares of capital stock of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the Chief Executive Officer or by any other officer of the Corporation authorized by the Board of Directors, attested by the Secretary, and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the Corporation itself or one of its employees. Each certificate for shares of capital stock shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost or destroyed certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only by the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

Section 3. Restrictions. All certificates shall bear a legend giving appropriate notice of any restrictions on sale or other pertinent matters.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year.

ARTICLE IX

INSPECTION OF BOOKS AND RECORDS BY SHAREHOLDERS

Any person who shall have been a holder of record of shares of stock or of voting trust certificates of the Corporation at least six months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of all outstanding shares of the Corporation, upon advance written demand stating the purpose of the demand, at least three days in advance of the demanded examination, shall have the right to examine, in person, or by agent or attorney, during the business hours of the Corporation, for any proper purpose its relevant books and records of accounts, minutes, and record of shareholders and to make extracts from the books and records. The Corporation may charge reasonable fees for any expenses incurred in copying its books and records at the request of such shareholder.

ARTICLE X

DIVIDENDS

Subject to the laws of the State of New Hampshire, the Board of Directors may, from time to time, declare, and the Corporation may pay, dividends on its outstanding shares of capital stock.

ARTICLE XI

CORPORATE SEAL

The Board of Directors shall provide a Corporation seal upon which the name of the Corporation, the year of incorporation and an emblem may appear.

ARTICLE XII

AMENDMENTS

These Bylaws may be amended only with the approval of the shareholder as provided in Article III, Section 9(b) of these Bylaws.

(Effective: _____)

MARKED TO SHOW PROPOSED AMENDMENTS
(Additions in **Blue**; deletions in **Red**)

AMENDED AND RESTATED BYLAWS OF PENNICHUCK WATER WORKS, INC.

ARTICLE I
PRINCIPAL OFFICE

The principal office of the Corporation shall be in the State of New Hampshire at Nashua in Hillsborough County in the State of New Hampshire.

ARTICLE II
SHAREHOLDERS

Section 1. Place of Meetings. All annual and special meetings of the shareholder~~s~~ shall be held at the principal office of the Corporation or at such place within ~~or without~~ the State of New Hampshire as the Board of Directors may designate.

Section 2. Annual Meetings. A meeting of the shareholder~~s~~ of the Corporation for the election of Directors and for the transaction of any other business of the Corporation shall be held annually in the month of ~~April~~May, at such time and on such date as the Board of Directors may designate.

Section 3. Special Meetings. Special meetings of the shareholder~~s~~ for any purpose or purposes, unless otherwise prescribed by the laws of the State of New Hampshire, may be called at any time by the ~~Chairman of the Board~~Chief Executive Officer, the President or a majority of the Board of Directors and shall be called upon the written request of the ~~shareholder holders of not less than one-tenth of all the outstanding capital stock of the Corporation entitled to vote at the meeting.~~ Such written request shall state the purpose or purposes of the meeting and shall be delivered at the principal office of the Corporation addressed to the ~~Chairman of the Board~~Chief Executive Officer, the President or the Secretary ~~not less than sixty days before the date of the meeting.~~

Section 4. Notice of Meeting: Waiver of Notice. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than ~~fifty-sixty~~ days before the date of the meeting, either personally or by mail or e-mail, by or at the direction of the ~~Chief Executive Officer~~Chairman of the Board, the President, the Secretary or the officers or persons calling the meeting, to ~~each~~the shareholder ~~of record entitled to vote at such meeting.~~ The shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his or her address as it appears on the stock transfer books or records of the Corporation as of the record date prescribed in Section 5 of this Article II, with postage thereon prepaid. If a shareholder be present at a meeting, or in writing waives notice thereof before or after the meeting, notice of such meeting to such shareholder shall be unnecessary.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
- (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 5. Fixing of Record Date. For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purposes, the Board of Directors shall fix in advance a date as the record date for any such determination or, in the absence of such a determination by the Board, the record date shall be as provided in RSA 293-A:7.05(d). ~~of shareholders. Such date in any case shall be not more than fifty days and, in case of a meeting of shareholders, not less than ten days prior to the meeting or other date on which the particular action, requiring such determination of shareholders, is to be taken. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this Section, such determination shall apply to any adjournment thereof.~~

Section 6. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. In the absence of a quorum at any meeting, or any adjournment thereof, the shareholders present, in person or by proxy, at such meeting shall have the power to adjourn the meeting from time to time, without further notice, until shareholders holding the requisite number of shares shall be so present. The shareholders present, in person or by proxy, at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or his, her or its duly authorized attorney-in-fact. ~~Any proxy purporting on its face to have been executed by an attorney-in-fact for a shareholder, unless contested prior to its being voted, shall be conclusively presumed to have been duly authorized. Proxies solicited on behalf of the management shall be voted as directed by the shareholder or, in the absence of such direction, as determined by a majority of the Board of Directors.~~ No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 8. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by any officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. ~~A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.~~ Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

~~Section 9. Voting of Shares in the Name of Two or More Persons. When ownership of shares of stock stands in the name of two or more persons, in the absence of written directions to the Corporation to the contrary, at any meeting of the shareholders of the Corporation any one or more of such shareholders may cast, in person or by proxy, all votes to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the several persons in whose names shares of stock stand, the vote or votes to which those persons are entitled shall be cast as directed by a majority of those holding such shares and present in person or by proxy at such meeting, but no votes shall be cast for such shares if a majority cannot agree.~~

Section ~~109.~~ Voting. Every shareholder entitled to vote at any meeting shall be entitled to cast one vote, in person or by proxy, for each share of stock held by the shareholder. ~~Where title to a share or shares is held by two or more shareholders, such shares shall be voted at a meeting only if all such shareholders are present in person or by proxy and are in agreement as to how such shares shall be voted.~~ Unless otherwise provided by law or in the Corporation's Articles of Incorporation or these Bylaws, a majority of votes cast by shareholders shall be determinative. ~~An authorization of the shareholders for the sale, lease, exchange or other disposition of all of the property and assets, with or without the good will of the Corporation, not in the usual and regular course of business, shall require the affirmative vote of the holders of a two-thirds majority of the shares of the Corporation entitled to vote.~~

~~Section 11. Inspectors of Election. In advance of any meeting of shareholders, the Board of Directors may appoint any persons other than nominees for office as inspectors of election to act at such meeting or any adjournment thereof. The number of inspectors shall be either one or three. If the Board of Directors so appoints either one or three such inspectors, that appointment shall not be altered at the meeting. If inspectors of election are not so appointed, the Chairman of the Board or the President may, and on the request of a majority of the votes represented at the meeting shall, make such appointment at the meeting. If appointed at the meeting, the majority of such votes shall determine whether one or three inspectors are to be appointed. In case any person appointed as inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board of Directors in advance of the meeting or at the meeting by the Chairman of the Board or the President.~~

~~The duties of such inspectors shall include: determining the total outstanding number of shares of stock and the voting power of each share; the shares of stock represented at the meeting; the existence of a quorum; and the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining the result and such acts as may be proper to conduct the election or vote with fairness to all shareholders.~~

ARTICLE III THE BOARD OF DIRECTORS

Section 1. Number. The Board of Directors shall consist of a number of persons, not less than ~~three~~seven nor more than thirteen, to be fixed from time to time by the Board of Directors.

Section 2. Election; Term; Vacancy. Directors shall be elected at the annual meeting of shareholders, ~~by a majority of those present, or represented by proxy, and voting. Each Director shall hold office until the next annual shareholder meeting, except in the case of earlier death, resignation or removal. If the Director's term has expired, the Director shall continue to hold office until their successors in office have been chosen and qualified.~~ Any vacancy occurring in the Board of Directors in between annual meetings of the shareholders, due to death, resignation or any other cause including an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining Directors although less than a quorum of the Board of Directors. The remaining Directors may appoint a person to fill the vacancy until the next annual meeting of shareholders. ~~All Directors shall be sworn to the faithful performance of their duties.~~

Section 3. Qualification. No Director shall be required to be a shareholder of the Corporation. ~~The President shall be a member of the Board of Directors. Directors shall hold office until their successors in office have been chosen and qualified.~~

Section 4. Removal; Removal. Any Director may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. Any Director may be removed from office with or without cause by a vote of the holders of two-thirds of the shares entitled to vote at an annual meeting held inter alia for the purpose of electing Directors.

Section 5. Regular Meetings. The Board of Directors shall hold regular meetings ~~not less frequently than quarterly in the months of January, April, July and October on such dates and~~ at such times as the Board may designate. The regular meeting of the Board in the month of ~~April~~May of each year shall be the annual meeting of the Board and shall be held immediately following the annual meeting of shareholders.

Section 6. Special Meetings. Special meetings of the Board in lieu of or in addition to the regular meetings shall be held at such times as the Chairman of the Board, ~~President~~Chief Executive Officer or any ~~four~~ Directors may require.

Section 7. Notice. Notice of regular and special meetings shall be sent by the Secretary or ~~President-Chief Executive Officer~~ by mail or e-mail, at least five days prior to the day of the meeting, or delivered in hand or by telephone at least twenty-four hours prior to the time of the meeting. Any Director may waive notice of any meeting in writing filed with the Secretary. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business and thereafter does not vote for or assent to any action taken at the meeting. ~~Notice of the annual meeting of the Board shall not be required.~~

Section 8. Quorum; Voting. ~~No less than~~ A majority of Directors shall constitute a quorum for the transaction of business at the meetings of the Board, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Board of Directors, subject to the limitation with respect to those Reserved Powers described in Section 9. ~~concurrence of a majority of those present at any meeting shall be necessary to give validity to any vote.~~

Section 9. Reserved Powers. Notwithstanding any other provision of the Articles of Incorporation or Bylaws of the Corporation, the following actions shall not be taken unless and until the same has been approved by the shareholder, in accordance with the requirements of the Articles of Incorporation and Bylaws of the shareholder (collectively the "Reserved Powers"):

- (a) any action to change the name of the Corporation;
- (b) any action to amend the Articles of Incorporation or Bylaws of the Corporation;
- (c) any action to issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Corporation;
- (d) any action to authorize the Corporation to merge or consolidate with or into, or acquire all or substantially all of the assets of, any corporation, partnership, limited liability company or any other business entity or person; or
- (e) any action to sell, lease, transfer or otherwise dispose of all or any substantial part of the assets (whether in a single transaction or series of transactions during any consecutive 12-month period) of the Corporation other than in the ordinary course of the business of the Corporation.

Section 10. Presence at a Meeting. Unless the Articles of Incorporation provide otherwise, any or all Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (1) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he or she delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 119. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or by a committee at a meeting may be taken without a meeting if written consent thereto, setting forth the action so taken, shall be signed by all of the Directors or by all of the members of

the committee. The consent may be contained in a single document or may be contained in more than one document so long as the documents in the aggregate contain the required signatures.

Section ~~4012~~. Duties and Powers. The Board of Directors shall be vested with the oversight of management and direction of the affairs of the Corporation and shall have and exercise all the powers possessed by the Corporation so far as such delegation of authority is not inconsistent with the laws of the State of New Hampshire, the Articles of Incorporation and these Bylaws.

Section ~~1113~~. ~~Executive Committee; Other Committees.~~ The Board of Directors, by resolution adopted by a majority of the full Board, may designate from its members ~~an Executive Committee and~~ one or more ~~other~~ committees each of which, subject to the limitations of the laws of the State of New Hampshire, shall have and may exercise all of the authority of the Board to the extent provided in these Bylaws or in any such resolution. The provisions of these Bylaws that govern meetings, actions without meetings, notice and waiver requirements and quorum and voting requirements of the Board shall also apply to committees and their members.

Section 14. Director Compensation. Unless otherwise provided in the Articles of Incorporation, by resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any capacity and receiving compensation therefor.

ARTICLE IV OFFICERS

Section 1. Number. The officers of the Corporation shall consist of a ~~Chairman of the Board~~ Chief Executive Officer, ~~a President, one or more Vice Presidents,~~ a Treasurer, a Secretary and such other officers as the Directors may, from time to time, determine. Two or more offices may be held by the same person.

Section 2. Election. Each year at the annual meeting of the Board of Directors, the Directors shall determine the number of offices to be filled and shall elect officers to fill such positions for the ensuing year and until their successors are duly qualified, or until their death or until they shall resign or be removed in the manner hereinafter provided. Directors from time to time may fill any vacancy that may exist in any office and may elect such other officers as they may determine to be necessary to manage the affairs of the Corporation. Election or appointment of an officer, employee or agent, shall not of itself create contract rights. The Board of Directors may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable law and regulation; but no such contract shall impair the right of the Board of Directors to remove any officer at any time in accordance with Section 3 of this Article IV. ~~All officers shall be sworn to the faithful performance of their duties. The Directors shall require fidelity bonds for all officers with authority to handle funds or sign checks.~~

Section 3. Resignation; Removal. An officer may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. The Board of Directors may at any time suspend the right of any officer to perform such officer's duties and may remove any officer with or without cause at any meeting of the Board by vote of a majority of the full Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Duties and Powers. The duties of certain officers shall be as specified in this Section 4, as otherwise provided in these Bylaws, and as determined from time to time by the Board of Directors or the ~~e~~Chief ~~e~~Executive ~~e~~Officer.

~~a. Chairman of the Board. The Chairman of the Board, if any, may be designated by the Directors as chief executive officer of the Corporation. The Chairman of the Board, if any, shall preside at all meetings of the Board, and shall exercise overall supervision of the officers, and affairs of the Corporation.~~

~~ab. PresidentChief Executive Officer. The PresidentChief Executive Officer shall be the chief executive officer of the Corporation if the Chairman is not so designated, and shall have the responsibility for the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholders or the Directors, including the Chairman of the Board, if any. The President shall preside at all the meetings of the Board in the absence of the Chairman or if no Chairman shall have been designated by the Directors.~~

~~c. Executive Vice President. A Vice President of the Corporation may be designated by the Board as Executive Vice President and in addition to the duties and powers provided in these Bylaws and otherwise delegated by the Board and the chief executive officer, the Executive Vice President shall have the powers of the President during the absence or disability of the President.~~

~~db. Treasurer. The Treasurer shall negotiate loans and receive and disburse all other funds of the Corporation, and for this purpose, shall have authority to sign checks upon any account of the Corporation in any bank or similar type of institution. The Treasurer shall supervise the keeping of the accounts of the Corporation in books which shall be the property of the Corporation and shall cause to be prepared periodic statements of the financial condition of the Corporation and shall submit such statements to the Board.~~

~~ea. Secretary. The Secretary of the Corporation shall be a resident of the State of New Hampshire. The Secretary shall be registered with the Secretary of State of the State of New Hampshire as the registered agent. The Secretary shall record the proceedings of the meetings of the shareholders and Directors showing the names of the persons present. The Secretary may give notice of all meetings of the shareholders and the Directors required by these Bylaws.~~

Section 5. Compensation. The compensation of the officers of the Corporation, if any, shall be fixed in a manner approved by the Board.

ARTICLE V INDEMNIFICATION

Section 1. Suits, Etc. Other Than by or in the Right of the Corporation. The Corporation shall have power to indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Suits, Etc. by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor

by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

Section 3. Scope of Indemnification. To the extent that a Director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter based on Section 1 or 2 above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Indemnification. Any indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 above. This determination shall be made:

- a. By the Board of Directors by a majority of vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;
- b. By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs; or
- c. By the shareholders.

Section 5. Payment of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding ~~may~~ shall be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 4 above, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this section.

Section 6. Other Rights. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of ~~the~~ shareholders or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of that person.

Section 7. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against this liability under the provisions of this section.

ARTICLE VI
CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Documents and Instruments. To the extent permitted by laws of the State of New Hampshire, and except as otherwise prescribed by these Bylaws with respect to certificates for shares, the ~~Chairman of the Board~~ Chief Executive Officer, President, and Vice President or the Treasurer, or any other officer of the Corporation shall be authorized to execute contracts, deeds, leases and all other documents. Notwithstanding the foregoing the Board of Directors may by special vote authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the Board of Directors may select.

ARTICLE VII
CERTIFICATES FOR SHARES AND THEIR TRANSFERS; RESTRICTIONS

Section 1. Certificates for Shares. Certificates representing shares of capital stock of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the ~~e~~Chief ~~e~~Executive ~~e~~Officer or by any other officer of the Corporation authorized by the Board of Directors, attested by the Secretary, and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the Corporation itself or one of its employees. Each certificate for shares of capital stock shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost or destroyed certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only by the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

Section 3. Restrictions. All certificates shall bear a legend giving appropriate notice of any restrictions on sale or other pertinent matters.

ARTICLE VIII
PURCHASE OF SHARES; DISTRIBUTION
OF CAPITAL SURPLUS

~~Subject to the provisions of Article IV of the Articles of Incorporation and any other restrictions imposed by law, the Board of Directors may purchase the shares of the Corporation out of unreserved and unrestricted earned surplus and capital surplus of the Corporation available for that purpose and may distribute to its shareholders out of the capital surplus of the Corporation a portion of its assets, in cash or property.~~

ARTICLE ~~IX~~VIII
FISCAL YEAR; ~~ANNUAL~~ AUDIT

~~The fiscal year of the Corporation shall be the calendar year. The Corporation shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the Board of Directors. The appointment of such accountants shall be subject to annual ratification by the shareholders.~~

ARTICLE ~~XIX~~
INSPECTION OF BOOKS AND RECORDS BY SHAREHOLDERS

Any person who shall have been a holder of record of shares of stock or of voting trust certificates of the Corporation at least six months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of all outstanding shares of the Corporation, upon advance written demand stating the purpose of the demand, at least three days in advance of the demanded examination, shall have the right to examine, in person, or by agent or attorney, during the business hours of the Corporation, for any proper purpose its relevant books and records of accounts, minutes, and record of shareholders and to make extracts from the books and records. The Corporation may charge reasonable fees for any expenses incurred in copying its books and records at the request of such shareholder.

ARTICLE ~~XX~~
DIVIDENDS

Subject to the laws of the State of New Hampshire, the Board of Directors may, from time to time, declare, and the Corporation may pay, dividends on its outstanding shares of capital stock.

ARTICLE ~~XXI~~
CORPORATE SEAL

The Board of Directors shall provide a Corporation seal upon which the name of the Corporation, the year of incorporation and an emblem may appear.

ARTICLE ~~XXII~~
AMENDMENTS

These Bylaws may be amended only with the approval of the shareholder as provided in Article III, Section 9(b) of these Bylaws. ~~at any time by a majority of the full Board of Directors subject to repeal or change only by a vote of the holders of two-thirds of the shares entitled to vote at a meeting expressly called for that purpose, unless any shares of any class entitled to vote as a class are outstanding, in which event the authorization shall require the vote of the holders of two-thirds of the shares of each such class and of the holders of two-thirds of the shares of each such class and of the total shares entitled to vote.~~

~~These Bylaws reflect amendments voted by the Board of Directors on September 28, 1984, and October 31, 1984.~~

MARKED TO SHOW PROPOSED AMENDMENTS
(Additions in **Blue**; deletions in **Red**)

AMENDED AND RESTATED BYLAWS OF
PITTSFIELD AQUEDUCT COMPANY, INC. AND
PENNICHUCK EAST UTILITY, INC.

ARTICLE I
PRINCIPAL OFFICES

The principal office of the Corporation shall be in the State of New Hampshire.

~~1.1 **Business Office.** The principal office of the Corporation shall be located at any place either within or outside the State of New Hampshire as designated in the Corporation's most current Annual Report filed with the State of New Hampshire Secretary of State. The Corporation may have such other offices, either within or without the State of New Hampshire as the Board of Directors may designate or as the business of the Corporation may require from time to time. The Corporation shall maintain at its principal office a copy of certain records, as specified in Section 2.14 of these Bylaws.~~

~~1.2 **Registered Office.** The registered office of the Corporation required by the New Hampshire Business Corporation Act, RSA Chapter 293-A ("Act"), shall be located within the State of New Hampshire as designated in the Corporation's most current Annual Report filed with the State of New Hampshire Secretary of State and may be, but need not be, identical with the principal office (if located within the State of New Hampshire). The address of the registered office may be changed from time to time.~~

ARTICLE II
SHAREHOLDERS

Section 1. Place of Meetings. All annual and special meetings of the shareholder shall be held at the principal office of the Corporation or at such place within the State of New Hampshire as the Board of Directors may designate.

~~Section 2. 2-1 **Annual Shareholder Meetings.** A meeting of the shareholder of the Corporation for the election of Directors and for the transaction of any other business of the Corporation shall be held annually in the month of May, at such time and on such date as the Board of Directors may designate. The annual meeting of the shareholders shall be held at such time within 120 days of the end of the fiscal year of the Corporation as shall be fixed by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.~~

~~If the election of Directors shall not be held on the day designated herein for any annual meeting of the shareholders, or at any subsequent continuation after adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as convenient.~~

~~Section 3. 2-2 **Special Shareholder Meetings.** Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by the laws of the State of New Hampshire, described in the meeting notice, may be called at any time by the Chief Executive Officer or a majority by the President or by of the Board of Directors; and shall be called upon the written request of the shareholder by the President at the request of the holders of not less than one-tenth of all outstanding votes of the Corporation entitled to be cast on any issue at the meeting. Such written request shall state the purpose or purposes of the meeting and shall be delivered at the principal office of the Corporation addressed to the Chief Executive Officer or the Secretary.~~

~~2.3 Place of Shareholder Meeting.~~ The Board of Directors may designate any place within or without the State of New Hampshire as the place of meeting for any annual or special meeting of the shareholders. If no designation is made, the place of meeting shall be the principal office of the Corporation in the State of New Hampshire.

Section 4. 2.4 Notice of Shareholder Meeting; Waiver of Notice.

~~(a) Required Notice.~~ Written notice stating the place, day and hour of ~~any annual or special the shareholder meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called,~~ shall be delivered not less than ~~ten~~10 nor more than ~~sixty~~60 days before the date of the meeting, either personally or by ~~mail or e-mail~~, by or at the direction of the ~~Chief Executive Officer, the Secretary or the officers or persons calling the meeting, President or the Board of Directors to the each shareholder, of record entitled to vote at such meeting.~~ The shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to the notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records. ~~and to any other shareholder entitled by the Act to receive notice of the meeting.~~ Notice shall be deemed to be effective at the earlier of: (1) when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid; (2) on the date shown on the return receipt if sent by registered or certified mail; return receipt requested, and the receipt is signed by or on behalf of the addressee; (3) when received; or (4) five days after deposit in the United States mail, if mailed postpaid and correctly addressed to an address other than that shown in the Corporation's current record of shareholders.

~~(b) Adjourned Meeting.~~ If any shareholder meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, and place, if the new date, time, and place is announced at the meeting before adjournment. But if a new record date for the adjourned meeting is, or must be fixed, in accordance with Section 2.5, then notice must be given pursuant to the requirements of Paragraph (a) of this Section 2.4 to those persons who are shareholders as of the new record date.

~~(c) Waiver of Notice.~~ A shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to the notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
- (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

~~(d) Contents of Notice.~~ The notice of each special shareholder meeting shall include a description of the purpose or purposes for which the meeting is called. Except as provided in this Section 2.4(d) or otherwise in the Act, the notice of an annual shareholder meeting need not include a description of the purpose or purposes for which the meeting is called.

~~If a purpose of any shareholder meeting is to consider either: (1) a proposed amendment to the Articles of Incorporation (including any restated Articles requiring shareholder approval), (2) a plan of merger or share exchange, (3) the sale, lease, exchange or other disposition of all, or substantially all of the Corporation's property, (4) the dissolution of the Corporation, or (5) the removal of a Director, the notice must so state and be accompanied by respectively a copy or summary of: (1) the articles of amendment; (2) the plan of merger or share exchange; and (3) the transaction for disposition of all the Corporation's property. If the proposed corporate action creates dissenters' rights, the notice must state that shareholders are, or may be, entitled to assert dissenters' rights, and must be accompanied by a copy~~

~~of Section 13 of the Act. If the Corporation issues, or authorizes the issuance of shares for promissory notes or for promises to render services in the future, the Corporation shall report in writing to all of the shareholders the number of shares authorized or issued, and the consideration received, with or before the notice of the next shareholder meeting. Likewise, if the Corporation indemnifies or advances expenses to a Director, this action shall be reported to all the shareholders with or before notice of the next shareholder meeting (as provided in RSA 293-A:16.21).~~

Section 5.2.5 Fixing of Record Date. For the purpose of determining shareholders ~~of any voting group~~ entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or shareholders entitled to receive payment of any ~~distribution or~~ dividend, or in order to make a determination of shareholders for any other proper purposes, the Board of Directors ~~shall~~ may fix in advance a date as the record ~~datedate for any such determination or, in the absence of such a determination by the Board, the record date shall be as provided in RSA 293-A:7.05(d).~~ Such record date shall not be more than 70 days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is so fixed by the Board for the determination of shareholders entitled to notice of, or to vote at a meeting of shareholders, or shareholders entitled to receive a share dividend or distribution, the record date for determination of such shareholders shall be at the close of business on:

~~_____ (a) _____ With respect to an annual shareholder meeting or any special shareholder meeting called by the President or by the Board, the day before the first notice is delivered to shareholders;~~

~~_____ (b) _____ With respect to a special shareholder meeting demanded by the shareholders, the date the first shareholder signs the demand;~~

~~_____ (c) _____ With respect to the payment of a share dividend, the date the Board authorizes the share dividend;~~

~~_____ (d) _____ With respect to actions taken in writing without a meeting (pursuant to Section 2.12), the date the first shareholder signs a consent; and~~

~~_____ (e) _____ With respect to a distribution to shareholders, (other than one involving a repurchase or reacquisition of shares), the date the Board authorizes the distribution.~~

~~_____ When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof unless the Board of Directors fixes a new record date. The Board shall be required to fix a new record date if the meeting is adjourned to a date more than 120 days after the date set for the original meeting.~~

~~_____ 2.6 Shareholder List. The officer or agent having charge of the stock transfer books for shares of the Corporation shall maintain a complete record of the shareholders entitled to vote at each meeting of shareholders, arranged in alphabetical order, with the address of and the number of shares held by each. The shareholder list shall be maintained at the Corporation's principal office and shall be available for inspection by any shareholder, subject to the provisions of Section 2.14. The Corporation shall maintain the shareholder list in written form or in another form capable of conversion into written form within a reasonable time.~~

~~_____ After fixing a record date for a meeting of shareholders, the Corporation shall prepare an alphabetical list of the names of all of its shareholders who are entitled to notice of a shareholders' meeting. The list shall be arranged by voting group, if any, and within each voting group by class or series of shares, and show the address of and the number of shares held by each shareholder. The shareholders' list must be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting~~

~~will be held. A shareholder, his agent, or attorney is entitled on written demand to inspect and, subject to the requirements of Section 2.14, to copy the list, during regular business hours and at his or her expense, during the period it is available for inspection. The Corporation shall make the shareholders' list available at the meeting of shareholders, and any shareholder, his agent, or attorney is entitled to inspect the list at any time during the meeting or any adjournment thereof.~~

Section 6. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. In the absence of a quorum at any meeting, or any adjournment thereof, the shareholders present, in person or by proxy, at such meeting shall have the power to adjourn the meeting from time to time, without further notice, until shareholders holding the requisite number of shares shall be so present. The shareholders present, in person or by proxy, at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

~~2.7 **Shareholder Quorum and Voting Requirements.** If the Articles of Incorporation or the Act provides for voting by a single voting group on a matter, action on that matter is taken when voted upon by that voting group.~~

~~Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those share exists with respect to that matter. Unless the Articles of Incorporation, a Bylaw adopted pursuant to Section 2.8, or the Act provide otherwise, a majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.~~

~~If the Articles of Incorporation or the Act provide for voting by two or more voting groups on a matter, action on that matter is taken only when voted upon by each of those voting groups counted separately. Action may be taken by one voting group on a matter even though no action is taken by another voting group entitled to vote on the matter.~~

~~Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.~~

~~If a quorum exists, action on a matter (other than the election of Directors) by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation, a bylaw adopted pursuant to Section 2.8, or the Act require a greater number of affirmative votes.~~

~~2.8 **Increasing Either Quorum or Voting Requirements.** For purposes of this Section 2.8 a "supermajority" quorum is a requirement that more than a majority of the votes of the voting group be present to constitute a quorum; and a "supermajority" voting requirement is any requirement that requires the vote of more than a majority of the affirmative votes of a voting group at a meeting.~~

~~Except as otherwise provided in the Articles of Incorporation, the shareholders of any class or series of capital stock may adopt, amend, or delete a Bylaw which fixes a "supermajority" quorum or "supermajority" voting requirement for that class or series of capital stock.~~

~~The adoption or amendment of a Bylaw that adds, changes, or deletes a "supermajority" quorum or voting requirement for any class or series of capital stock must meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.~~

~~A Bylaw that fixes a supermajority quorum or voting requirement for shareholders may not be adopted, amended or repealed by the Board of Directors.~~

Section 7. 2.9 Proxies. At all meetings of shareholders, a shareholder may vote ~~in person, or vote by proxy which is executed in writing by the shareholder or his, her or its or which is executed by his~~ in person, or by proxy which is executed in writing by the shareholder or his, her or its or which is executed by his duly authorized attorney-in-fact. ~~Such proxy shall be filed with the Secretary of the Corporation or other person authorized to tabulate votes before or at the time of the meeting.~~ Such proxy shall be filed with the Secretary of the Corporation or other person authorized to tabulate votes before or at the time of the meeting. No proxy shall be valid after ~~eleven~~ eleven months from the date of its execution unless otherwise provided in the proxy.

Section 8. 2.10 Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by an officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. ~~Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting. Unless otherwise provided in the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.~~

~~Except as provided by specific court order, no shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting. Provided, however, the prior sentence shall not limit the power of the Corporation to vote any shares, including its own shares, held by it in a fiduciary capacity.~~

~~Redeemable shares are not entitled to vote after notice of redemption is mailed to the holders and a sum sufficient to redeem the shares has been deposited with a bank, trust company, or other financial institution under an irrevocable obligation to pay the holders the redemption price on surrender of the shares.~~

Section 9. Voting. Every shareholder entitled to vote at any meeting shall be entitled to cast one vote, in person or by proxy, for each share of stock held by the shareholder. Unless otherwise provided by law or in the Corporation's Articles of Incorporation or these Bylaws, a majority of votes cast by shareholders shall be determinative.

2.11 Corporation's Acceptance of Votes.

~~(a) If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a shareholder, the Corporation if acting in good faith is entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the shareholder.~~

~~(b) If the name signed on a vote, consent, waiver, or proxy appointment does not correspond to the name of its shareholder, the Corporation if acting in good faith is nevertheless entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the shareholder if:~~

- ~~(1) the shareholder is an entity as defined in the Act and the name signed purports to be that of an officer or agent of the entity;~~
- ~~(2) the name signed purports to be that of an administrator, executor, guardian, or conservator representing the shareholder and, if the Corporation requests, evidence of fiduciary status acceptable to the Corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;~~
- ~~(3) the name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the Corporation requests, evidence of this status acceptable to the Corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;~~

~~(4) the name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the Corporation requests, evidence acceptable to the Corporation of the signatory's authority to sign for the shareholder has been presented with respect to the vote, consent, waiver, or proxy appointment; or~~

~~(5) two or more persons are the shareholder as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all the co-owners.~~

~~(c) The Corporation is entitled to reject a vote, consent, waiver, or proxy appointment if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.~~

~~(d) The Corporation and its officer or agent who accepts or rejects a vote, consent, waiver, or proxy appointment in good faith and in accordance with the standards of this Section 2.11 are not liable in damages to the shareholder for the consequences of the acceptance or rejection.~~

~~(e) Corporate action based on the acceptance or rejection of a vote, consent, waiver, or proxy appointment under this Section 2.11 is valid unless a court of competent jurisdiction determines otherwise.~~

~~2.12 **Informal Action by Shareholders.** Any action required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if one or more consents in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof are delivered to the Corporation for inclusion in the minute book. If the act to be taken requires that notice be given to non-voting shareholders, the Corporation shall give the non-voting shareholders written notice of the proposed action at least 10 days before the action is taken, which notice shall contain or be accompanied by the same material that would have been required if a formal meeting had been called to consider the action. A consent signed under this Section 2.12 has the effect of a meeting vote and may be described as such in any document.~~

~~2.13 **Voting for Directors.** Unless otherwise provided in the Articles of Incorporation, Directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present.~~

~~2.14 **Corporate Records; Shareholder's Right to Inspect Corporate Records.**~~

~~(a) **Minutes and Accounting Records.** The Corporation shall keep as permanent records: minutes of all meetings of its shareholders and Board of Directors; a record of all actions taken by its shareholders and Board of Directors without a meeting; and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors. The Corporation shall maintain appropriate accounting records.~~

~~(b) **Absolute Inspection Rights of Records Required at Principal Office.** If a shareholder gives the Corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy, the shareholder (or his or her agent or attorney) has the right to inspect and copy, during regular business hours any of the following records, all of which the Corporation is required to keep at its principal office:~~

~~(1) its Articles or Restated Articles of Incorporation and all amendments to them currently in effect;~~

~~(2) its Bylaws or Restated Bylaws and all amendments to them currently in effect;~~

- ~~_____ (3) resolutions adopted by its Board of Directors creating one or more classes or series of shares, and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;~~
- ~~_____ (4) the minutes of all shareholders meetings, and records of all action taken by shareholders without a meeting, for the past three years;~~
- ~~_____ (5) all written communications to shareholders generally within the past three years, including the financial statement furnished for the past three years to the shareholders;~~
- ~~_____ (6) a list of the names and business addresses of its current Directors and officers; and~~
- ~~_____ (7) its most recent annual report delivered to the Secretary of State.~~

~~_____ (e) Conditional Inspection Right. In addition, if a shareholder gives the Corporation a written demand made in good faith and for a proper purpose at least five business days before the date on which he or she wishes to inspect and copy a corporate record, he or she describes with reasonable particularity his or her purpose and the records he or she desires to inspect, and the records are directly connected with his or her purpose, the shareholder (or his agent or attorney) is entitled to inspect and copy, during regular business hours at a reasonable location specified by the Corporation, any of the following records of the Corporation:~~

- ~~_____ (1) excerpts from minutes of any meeting of the Board of Directors, records of any action of a committee of the Board of Directors, minutes of any meeting of the shareholders, and records of action taken by the shareholders or Board of Directors without a meeting, to the extent not subject to inspection under paragraph (a) of this Section 2.14;~~
- ~~_____ (2) accounting records of the Corporation; and~~
- ~~_____ (3) the list of shareholders (compiled no earlier than the date of the shareholder's demand).~~

~~_____ (d) Copy Costs. The right to copy records includes, if reasonable, the right to receive copies made by photographic or other means. The Corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the shareholder. The charge may not exceed the estimated cost of production or reproduction of the records.~~

~~_____ (e) Shareholder Includes Beneficial Owner. For purposes of this Section 2.14, the term "shareholder" shall include a beneficial owner whose shares are held in a voting trust or by a nominee on his or her behalf.~~

~~_____ **2.15 Financial Statements; Fiscal Year.**~~

~~_____ (a) The Corporation shall furnish its shareholders annual financial statements, which may be consolidated or combined statements of the Corporation and one or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the fiscal year, an income statement for that year, and a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements. If financial statements of the Corporation are prepared on the basis of generally accepted accounting principles, the annual financial statements for the shareholders also must be prepared on that basis.~~

~~_____ (b) Except as otherwise required by the shareholders, if the annual financial statements are reported upon by a public accountant, its report must accompany them; and if not, the statements must be~~

~~accompanied by a statement of the President or the person responsible for the Corporation's accounting records:~~

~~_____ (1) stating his or her reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation; and~~

~~_____ (2) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.~~

~~_____ (c) The Corporation shall furnish the annual financial statements to each shareholder within 120 days after the close of each fiscal year. Thereafter, on written request from a shareholder who was not furnished the statements, the Corporation shall furnish him or her the latest financial statements.~~

~~_____ (d) The fiscal year of the Corporation shall be the calendar year.~~

~~_____ 2.16 **Dissenters' Rights.** Each shareholder shall have the right to dissent from and obtain payment for his shares when so authorized by, and in accordance with the procedures set forth in, the Act.~~

ARTICLE III THE BOARD OF DIRECTORS

~~_____ 3.1 **General Powers.** All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors.~~

Section 1. Number. The Board of Directors shall consist of a number of persons, not less than seven nor more than thirteen, to be fixed from time to time by the Board of Directors.

Section 2. Election; Term; Vacancy. Directors shall be elected at the annual meeting of shareholder. Each Director shall hold office until the next annual shareholder meeting, except in the case of earlier death, resignation or removal. If the Director's term has expired, the Director shall continue to hold office until their successors in office have been chosen and qualified. Any vacancy occurring in the Board of Directors in between annual meetings of the shareholder, due to death, resignation or any other cause including an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining Directors although less than a quorum of the Board of Directors. The remaining Directors may appoint a person to fill the vacancy until the next annual meeting of shareholder.

Section 3. Qualification. No Director shall be required to be a shareholder of the Corporation.

~~_____ 3.2 **Number, Tenure, and Qualifications of Directors.** The number of Directors of the Corporation shall be established by the shareholders at each annual meeting of the shareholders or by the Board of Directors in accordance with the requirements of the Act. Each Director shall hold office until the next annual meeting of shareholders or until removed. However, if his or her term expires, he or she shall continue to serve until his or her successor shall have been elected and qualified or until there is a decrease in the number of Directors. Directors are not required to be residents of the State of New Hampshire or shareholders of the Corporation.~~

Section 4. Resignation; Removal. A Director may resign at any time by delivering written notice of the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. Any Director may be removed from office with or without cause by a vote of the holders of two-thirds of the shares entitled to vote at an annual meeting held inter alia for the purpose of electing Directors.

Section 5. 3.3—Regular Meetings of the Board of Directors. The Board of Directors shall hold regular meetings at such times as the Board may designate. The regular meeting of the Board in the month of May of each year shall be the annual meeting of the Board and shall be held immediately following the annual meeting of shareholder. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings without other notice than such resolution. All meetings shall be held at the principal place of business of the Corporation unless notice of another location is given. If so permitted by Section 3.7, any such regular meeting may be held by telephone.

Section 6. 3.4—Special Meetings of the Board of Directors. Special meetings of the Board in lieu of or in addition to the regular meetings shall be held at such times as the Chairman of the Board, Chief Executive Officer or any Directors may require. of Directors may be called by or at the request of the President or any one of the Directors. If permitted by Section 3.7, such meeting may be held by telephone.

Section 7. 3.5—Notice of, and Waiver of Notice for, Special Director Meetings. Notice of regular and special meetings shall be sent by the Secretary or Chief Executive Officer by mail or e-mail, at least five days prior to the day of the meeting, or delivered in hand or by telephone at least twenty-four hours prior to the time of the meeting. Any Director may waive notice of any meeting in writing filed with the Secretary. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business and thereafter does not vote for or assent to any action taken at the meeting. Notice of any special Director meeting shall be given at least two days previously thereto either orally or in writing. If mailed, notice of any Director meeting shall be deemed to be effective at the earlier of: (1) when received; (2) five days after deposited in the United States mail, addressed to the Director's business office, with postage thereon prepaid; or (3) the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the Director. Any Director may waive notice of any meeting, in writing, before or after the date and time of the meeting stated in the notice, such waiver to be filed with the minutes of the Board of Directors. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly on his arrival) objects to holding the meeting or transacting the business at the meeting, and does not thereafter vote for or assent to action taken at the meeting.

Section 8. 3.6—Director Quorum; Voting. A majority of the number of Directors shall constitute a quorum for the transaction of business at the any meetings of the Board of Directors, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Board of Directors, subject to limitation with respect to those Reserved Powers described in Section 9. unless a supermajority is required pursuant to the provisions of Section 3.8.

Section 9. Reserved Powers. Notwithstanding any other provision of the Articles of Incorporation or Bylaws of the Corporation, the following actions shall not be taken unless and until the same has been approved by the shareholder, in accordance with the requirements of the Articles of Incorporation and Bylaws of the shareholder (collectively the "Reserved Powers"):

- (a) any action to change the name of the Corporation;
- (b) any action to amend the Articles of Incorporation or Bylaws of the Corporation;
- (c) any action to issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Corporation;

- ~~(d) any action to authorize the Corporation to merge or consolidate with or into, or acquire all or substantially all of the assets of, any corporation, partnership, limited liability company or any other business entity or person; or~~
- ~~(e) any action to sell, lease, transfer or otherwise dispose of all or any substantial part of the assets (whether in a single transaction or series of transactions during any consecutive 12-month period) of the Corporation other than in the ordinary course of the business of the Corporation.~~

~~Section 10. 3.7— **Presence at a Meeting Directors, Manner of Acting.** The act of the majority of the Directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the Board of Directors unless a supermajority is required pursuant to the provisions of Section 3.8.~~

Unless the Articles of Incorporation provide otherwise, any or all Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (1) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he or she delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

~~3.8 **Establishing a “Supermajority” Quorum or Voting Requirement for the Board of Directors.** For purposes of this Section 3.8, a “supermajority” quorum is a requirement that more than a majority of the Directors in office constitute a quorum; and a “supermajority” voting requirement is any requirement that requires the vote of more than a majority of those Directors present at a meeting at which a quorum is present to be the act of the Directors.~~

~~A Bylaw that fixes a supermajority quorum or supermajority voting requirement may be amended or repealed:~~

- ~~(1) if originally adopted by the shareholders, only by the shareholders;~~
- ~~(2) if originally adopted by the Board of Directors, either by the shareholders or the Board of Directors.~~

~~The adoption or amendment of a Bylaw that adds, changes, or deletes a “supermajority” quorum or voting requirement for the Board of Directors must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.~~

~~Section 11. 3.9— **Director Action Without a Meeting.** Any action required or permitted to be taken by the Board of Directors or by a committee at a meeting may be taken without a meeting if written consent thereto, setting forth the action so taken, shall be signed by all of the Directors or by all of the members of the committee. The consent may be contained in a single document or may be contained in more than one document so long as the documents in the aggregate contain the required signatures. all the Directors take the action, each one signs a written consent describing the action taken, and the consents are filed with the records of the Corporation. Action taken by consents is effective when the last Director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be described as such in any document.~~

~~3.10 **Removal of Directors.** The shareholders may remove one or more Directors at a meeting called for that purpose if notice has been given that a purpose of the meeting is such removal. The removal may be with or without cause unless the Articles of Incorporation provide that Directors may only be removed with cause. If a Director is elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove him. If cumulative voting is authorized, a Director may not be removed if the number of votes sufficient to elect him under cumulative voting is voted against his removal. If cumulative voting is not authorized, a Director may be removed only if the number of votes cast to remove him exceeds the number of votes cast not to remove him.~~

~~3.11 **Board of Director Vacancies.** Unless the Articles of Incorporation provide otherwise, if a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of Directors, the Board of Directors or the shareholders may fill the vacancy. If the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all of the Directors remaining in office.~~

~~If the vacant office was held by a Director elected by a voting group of shareholders, only the holders of shares of that voting group are entitled to vote to fill the vacancy if it is filled by the shareholders.~~

~~A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new Director may not take office until the vacancy occurs.~~

~~The term of a Director elected to fill a vacancy expires at the next shareholders meeting at which Directors are elected. However, if his or her term expires, he or she shall continue to serve until his or her successor is elected and qualifies or until there is a decrease in the number of Directors.~~

Section 12. Duties and Powers. The Board of Directors shall be vested with the oversight of management and direction of the affairs of the Corporation and shall have and exercise all the powers possessed by the Corporation so far as such delegation of authority is not inconsistent with the laws of the State of New Hampshire, the Articles of Incorporation and these Bylaws.

Section 13. Committees. The Board of Directors, by resolution adopted by a majority of the full Board, may designate from its members one or more committees each of which, subject to the limitations of the laws of the State of New Hampshire, shall have and may exercise all of the authority of the Board to the extent provided in these Bylaws or in any such resolution. The provisions of these Bylaws that govern meetings, actions without meetings, notice and waiver requirements and quorum and voting requirements of the Board shall also apply to committees and their members.

Section 14. 3.12 **Director Compensation.** Unless otherwise provided in the Articles of Incorporation, by resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any capacity and receiving compensation therefor.

~~3.13 **Director Committees.**~~

~~(a) **Creation of Committees.** Unless the Articles of Incorporation provide otherwise, the Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee must have two or more members, who serve at the pleasure of the Board of Directors.~~

~~(b) **Selection of Members.** The creation of a committee and appointment of members to it must be approved by the greater of (1) a majority of all the Directors in office when the action is taken or (2) the number of Directors required by Section 3.7 to take action.~~

~~(c) Required Procedures. Sections 3.4, 3.5, 3.6, 3.7, 3.8 and 3.9, which govern meetings, action without meetings, notice and waiver of notice, quorum and voting requirements of the Board of Directors, apply to committees and their members.~~

~~(d) Authority. Each committee may exercise those aspects of the authority of the Board of Directors which the Board of Directors confers upon such committee in the resolution creating the committee. Provided, however, a committee may not:~~

~~(1) authorize distributions;~~

~~(2) approve or propose to shareholders action that the Act requires be approved by shareholders;~~

~~(3) fill vacancies on the Board of Directors or on any of its committees;~~

~~(4) amend the Articles of Incorporation pursuant to the authority of Directors to do so granted by Section 10.02 of the Act;~~

~~(5) adopt, amend, or repeal Bylaws;~~

~~(6) approve a plan of merger not requiring shareholder approval;~~

~~(7) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors; or~~

~~(8) authorize or approve the issuance or sale or contract for sale of shares or determine the designation and relative right, preferences, and limitations of a class or series of shares, except that the Board of Directors may authorize a committee to do so within limits specifically prescribed by the Board of Directors.~~

ARTICLE IV **OFFICERS**

~~Section 1. 4.1 **Number of Officers.** The officers of the Corporation shall consist of a Chief Executive Officer, a Treasurer, a Secretary and such other officers as the Directors may, from time to time, determine. Two or more offices may be held by the same person. be a President, a Secretary, and a Treasurer, and may include the office of Chairman, each of whom shall be appointed by the Board of Directors. Such other officers and assistant officers as may be deemed necessary, including any Vice-Presidents, may be appointed by the Board of Directors. If specifically authorized by the Board of Directors, an officer may appoint one or more officers or assistant officers. The same individual may simultaneously hold more than one office in the Corporation.~~

Section 2. Election. Each year at the annual meeting of the Board of Directors, the Directors shall determine the number of offices to be filled and shall elect officers to fill such positions for the ensuing year and until their successors are duly qualified, or until their death or until they shall resign or be removed in the manner hereinafter provided. Directors from time to time may fill any vacancy that may exist in any office and may elect such other officers as they may determine to be necessary to manage the affairs of the Corporation. Election or appointment of an officer, employee or agent, shall not of itself create contract rights. The Board of Directors may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable law and regulation; but no such contract shall impair the right of the Board of Directors to remove any officer at any time in accordance with Section 3 of this Article IV.

Section 3. Resignation; Removal. An officer may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when

delivered, unless the notice specifies a later date. The Board of Directors may at any time suspend the right of any officer to perform such officer's duties and may remove any officer with or without cause at any meeting of the Board by vote of a majority of the full Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed.

~~4.2 **Appointment and Term of Office.** The officers of the Corporation shall be appointed by the Board of Directors for a term as determined by the Board of Directors. The designation of a specified term grants to the officer no contract rights, and the Board can remove the officer at any time prior to the termination of such term. If no term is specified, they shall hold office until they resign, die, or until they are removed in the manner provided in Section 4.3.~~

~~4.3 **Removal of Officers.** Any officer may be removed by the Board of Directors at any time, with or without cause. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent shall not of itself create contract rights.~~

~~4.4 **Chairman of the Board.** The Chairman of the Board, if any, may be designated by the Directors as chief executive officer of the Corporation. The Chairman of the Board, if any, shall preside at all meetings of the shareholders and of the Board of Directors, and shall exercise overall supervision of the officers and affairs of the Corporation.~~

Section 4. Duties and Powers. The duties of certain officers shall be as specified in this Section 4, as otherwise provided in these Bylaws, and as determined from time to time by the Board of Directors or the Chief Executive Officer.

(a) Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation, and shall have responsibility for the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholder or the Directors.

(b) Treasurer. The Treasurer shall negotiate loans and receive and disburse all other funds of the Corporation, and for this purpose, shall have authority to sign checks upon any account of the Corporation in any bank or similar type of institution.

(c) Secretary. The Secretary of the Corporation shall be a resident of the State of New Hampshire. The Secretary shall be registered with the Secretary of State of the State of New Hampshire as the registered agent. The Secretary shall record the proceedings of the meetings of the shareholder and Directors showing the names of the persons present. The Secretary may give notice of all meetings of the shareholder and the Directors required by these Bylaws.

~~4.5 **The President.** The President shall be the chief executive officer of the Corporation if the Chairman is not so designated, and shall have the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholders or the Directors, including the Chairman of the Board, if any. The President shall preside at all the meetings of the shareholders and of the Board of Directors in the absence of the Chairman or if no Chairman shall have been designated by the Directors. He or she may sign certificates for shares of the Corporation and deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.~~

~~4.6 **The Vice Presidents.** If appointed, in the absence of the President or in the event of his or her death, inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their appointment) shall perform the duties of the President, and when so~~

~~acting, shall have all the powers of and be subject to all the restrictions upon the President. If there is no Vice President, then the Treasurer shall perform such duties of the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.~~

~~4.7 The Secretary. The Secretary shall: (a) keep the minutes of the proceedings of the shareholders and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be eustodian of the corporate records and of any seal of the Corporation and if there is a seal of the Corporation, see that it is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized; (d) when requested or required, authenticate any records of the Corporation; (e) keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder; (f) sign certificates for shares of the Corporation; (g) have general charge of the stock transfer books of the Corporation; and (h) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.~~

~~4.8 The Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.~~

Section 5. Compensation. The compensation of the officers of the Corporation, if any, shall be fixed in a manner approved by the Board.

~~4.9 Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors.~~

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES

Section 1. Suits, Etc. Other Than by or in the Right of the Corporation. The Corporation shall have power to indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Suits, Etc. by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened,

pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

Section 3. Scope of Indemnification. To the extent that a Director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter based on Section 1 or 2 above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Indemnification. Any indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 above. This determination shall be made:

- (a) By the Board of Directors by a majority of vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;
- (b) By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs; or
- (c) By the shareholder.

Section 5. Payment of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 4 above, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this section.

Section 6. Other Rights. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of the shareholder or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of that person.

Section 7. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against this liability under the provisions of this section.

~~5.1 Indemnification of Directors.~~ The Corporation shall indemnify any individual made a party to a proceeding, or is threatened to be made a party to any proceeding, whether civil, criminal, administrative or investigative, because he is or was a Director of the Corporation, or while a Director of the Corporation is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against liability incurred in the proceeding, but only if the Corporation has authorized the payment in accordance with RSA 392-A:8.55 and a determination has been made in accordance with the procedures set forth therein that the Director met the standards of conduct in Paragraphs (a), (b), and (c) below.

~~(a) Standard of Conduct.~~ The individual shall demonstrate that:

~~(1) he or she conducted himself or herself in good faith; and~~

~~(2) he or she reasonably believed: (1) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interests; (ii) in all other cases, that his or her conduct was at least not opposed to its best interests; and (iii) in the case of any criminal proceeding, he or she had no reasonable cause to believe his conduct was unlawful.~~

~~(b) No Indemnification Permitted in Certain Circumstances.~~ The Corporation shall not indemnify a Director under this Section 5.1:

~~(1) in connection with a proceeding by or in the right of the Corporation in which the Director was adjudged liable to the Corporation; or~~

~~(2) in connection with any other proceeding charging improper personal benefit to him or her, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.~~

~~(c) Indemnification in Derivative Actions Limited.~~ Indemnification permitted under this Section 5.1 in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

~~(d) Mandatory Indemnification.~~ The Corporation shall indemnify a Director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a Director of the Corporation, against reasonable expenses, including attorneys' fees, incurred in connection therewith.

~~5.2 Advance Expenses for Directors.~~ If a determination is made, following the procedures of RSA 293-A:8.55 that the Director has met the following requirements, and if an authorization of payment is made, following the procedures and standards set forth therein, the Company shall pay for or reimburse the reasonable expenses incurred by a Director who is a party to a proceeding in advance of final disposition of the proceeding, if:

~~(a) the Director furnishes the Corporation a written affirmation of his or her good faith belief that he or she has met the standard of conduct described in Section 5.1 of this Article V;~~

~~(b) the Director furnishes the Corporation a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the Director but need not be secured and may be accepted without reference to financial ability to make repayment); and~~

~~— (e) a determination is made that the facts then known to those making the determination would not preclude indemnification under Section 5.1 or RSA 293-A:8.50 through 8.58.~~

~~— 5.3 **Indemnification of Officers, Agents, and Employees Who Are Not Directors.** The Board of Directors may indemnify and advance expenses to any officer, employee, or agent of the Corporation, who is not a Director of the Corporation, to any extent consistent with public policy, as determined by the general or specific action of the Board of Directors.~~

~~— 5.4 **Insurance.** The Corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, or agent of the Corporation, or who, while a director, officer, employee, or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee, or agent, whether or not the corporation would have the power to indemnify him against the same liability under RSA 293-A:8.51 or 293-A:8.52. The obligation to indemnify and reimburse set forth in this Article V, if applicable, shall be reduced by the amount of any such insurance proceeds paid to such person, or the representatives or successors of such person.~~

~~— 5.5 **Effect of Bylaw Amendment.** No amendment or repeal of this Article shall limit or eliminate the benefits provided to any person under this Article with respect to any act or omission that occurred prior to such amendment or repeal.~~

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Documents and Instruments. To the extent permitted by laws of the State of New Hampshire, and except as otherwise prescribed by these Bylaws with respect to certificates for shares, the Chief Executive Officer, Treasurer, or any other officer of the Corporation shall be authorized to execute contracts, deeds, leases and all other documents. Notwithstanding the foregoing the Board of Directors may by special vote authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the Board of Directors may select.

ARTICLE VII

CERTIFICATES FOR SHARES AND THEIR TRANSFERS; RESTRICTIONS

Section 1. Certificates for Shares. Certificates representing shares of capital stock of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the Chief Executive Officer or by any other officer of the Corporation authorized by the Board of Directors, attested by the Secretary, and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed

on behalf of a transfer agent or a registrar, other than the Corporation itself or one of its employees. Each certificate for shares of capital stock shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost or destroyed certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only by the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

Section 3. Restrictions. All certificates shall bear a legend giving appropriate notice of any restrictions on sale or other pertinent matters.

ARTICLE VI CERTIFICATES FOR SHARES AND THEIR TRANSFER

6.1 Certificates for Shares.

~~(a) Content. Certificates representing shares of the Corporation shall at a minimum, state on their face the name of the issuing corporation and that it is formed under the laws of the State of New Hampshire; the name of the person to whom issued; and the number and class of shares and the designation of the series, if any, the certificate represents; and be in such form as determined by the Board of Directors. Such certificates shall be signed (either manually or by facsimile) by the President and by the Secretary and may be sealed with a corporate seal or a facsimile thereof. Each certificate for shares shall be consecutively numbered or otherwise identified.~~

~~(b) Legend as to Class or Series. If the Corporation is authorized to issue different classes of shares of different series within a class, the designations, relative rights, preferences, and limitations applicable to each class and the variations in rights, preferences, and limitations determined for each series (and the authority of the Board of Directors to determine variations for future series) must be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the Corporation will furnish the shareholder this information on request in writing and without charge.~~

~~(c) Shareholder List. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation.~~

~~(d) Transferring Shares. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed, or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.~~

~~6.2 Registration of the Transfer of Shares. Registration of the transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation. In order to register a transfer, the record owner shall surrender the shares to the Corporation for cancellation, properly endorsed~~

by the appropriate person or persons with reasonable assurances that the endorsements are genuine and effective. Unless the Corporation has established a procedure by which a beneficial owner of shares held by a nominee is to be recognized by the Corporation as the owner, the person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

~~6.3 Restrictions on Transfer of Shares Permitted. The Directors (or shareholders) may impose restrictions on the transfer or registration of transfer of shares (including any security convertible into, or carrying a right to subscribe for or acquire shares). A restriction does not affect shares issued before the restriction was adopted unless the holders of the shares are parties to the restriction agreement or voted in favor of the restriction.~~

~~A restriction on the transfer or registration of transfer of shares may be authorized:~~

~~(a) to maintain the Corporation's status when it is dependent on the number or identity of its shareholders;~~

~~(b) to preserve exemptions under federal or state securities law;~~

~~(c) for any other reasonable purpose.~~

~~A restriction on the transfer or registration of transfer of shares may:~~

~~(a) obligate the shareholder first to offer the Corporation or other persons (separately, consecutively, or simultaneously) an opportunity to acquire the restricted shares;~~

~~(b) obligate the Corporation or other persons (separately, consecutively, or simultaneously) to acquire the restricted shares;~~

~~(c) require the Corporation, the holders or any class of its shares, or another person to approve the transfer of the restricted shares, if the requirement is not manifestly unreasonable;~~

~~(d) prohibit the transfer of the restricted shares to designated persons or classes of persons, if the prohibition is not manifestly unreasonable.~~

~~A restriction on the transfer or registration of transfer of shares is valid and enforceable against the holder or a transferee of the holder if the restriction is authorized by this section and its existence is noted conspicuously on the front or back of the certificate. Unless so noted, a restriction is not enforceable against a person without knowledge of the restriction.~~

~~6.4 Acquisition of Shares. The Corporation may acquire its own shares, and the shares so acquired constitute authorized but unissued shares.~~

ARTICLE VII DISTRIBUTION

~~7.1 Distributions. The Board of Directors may authorize, and the Corporation may make, distributions (including dividends on its outstanding shares) in the manner and upon the terms and conditions provided by law and in the Articles of Incorporation.~~

ARTICLE VIII FISCAL YEAR

The fiscal year of the Corporation shall be the calendar year.

ARTICLE IX
INSPECTION OF BOOKS AND RECORDS BY SHAREHOLDERS

Any person who shall have been a holder of record of shares of stock or of voting trust certificates of the Corporation at least six months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of all outstanding shares of the Corporation, upon advance written demand stating the purpose of the demand, at least three days in advance of the demanded examination, shall have the right to examine, in person, or by agent or attorney, during the business hours of the Corporation, for any proper purpose its relevant books and records of accounts, minutes, and record of shareholders and to make extracts from the books and records. The Corporation may charge reasonable fees for any expenses incurred in copying its books and records at the request of such shareholder.

ARTICLE X
DIVIDENDS

Subject to the laws of the State of New Hampshire, the Board of Directors may, from time to time, declare, and the Corporation may pay, dividends on its outstanding shares of capital stock.

ARTICLE ~~VIII~~ XI
CORPORATE SEAL

~~8.1 **Corporate Seal.** The Board of Directors shall provide a Corporation seal upon which the name of the Corporation, the year of incorporation and an emblem may appear. may provide a corporate seal which may be circular in form and have inscribed thereon any designation including the name of the Corporation, New Hampshire as the state of incorporation, and the words "Corporate Seal."~~

ARTICLE ~~XIII~~ X
AMENDMENTS

These Bylaws may be amended only with the approval of the shareholder as provided in Article III, Section 9(b) of these Bylaws.

~~9.1 **Amendments.** The Board of Directors may amend or repeal the Corporation's Bylaws unless:~~

~~(a) The Articles of Incorporation or the Act reserve this power exclusively to the shareholders in whole or in part; or~~

~~(b) The shareholders in adopting, amending, or repealing a particular Bylaw provide expressly that the Board of Directors may not amend or repeal that Bylaw; or~~

~~(c) The Bylaw either establishes, amends, or deletes, a supermajority shareholder quorum or voting requirement (as defined in Section 2.8).~~

~~Any amendment which changes the voting or quorum requirement for the Board must comply with Article III, Section 3.8, and for the shareholders, must comply with Article II, Section 2.8.~~

~~The Corporation's shareholders may amend or repeal the Bylaws, even though the Bylaws may also be amended or repealed by its Board of Directors.~~

MARKED TO SHOW PROPOSED AMENDMENTS
(Additions in **Blue**; deletions in **Red**)

**AMENDED AND RESTATED BYLAWS OF
PENNICHUCK WATER SERVICE CORPORATION**

ARTICLE I

PRINCIPAL OFFICE

The principal office of the Corporation shall be in the State of New Hampshire at Nashua in Hillsborough County in the State of New Hampshire.

**ARTICLE II
SHAREHOLDERS**

Section 1. Place of Meetings. All annual and special meetings of the shareholders shall be held at the principal office of the Corporation or at such place within ~~or without~~ the State of New Hampshire as the Board of Directors may designate.

Section 2. Annual Meetings. A meeting of the shareholders of the Corporation for the election of Directors and for the transaction of any other business of the Corporation shall be held annually in the month of May, at such time and on such date as the Board of Directors may designate.

Section 3. Special Meetings. Special meetings of the shareholders for any purpose or purposes, unless otherwise prescribed by the laws of the State of New Hampshire, may be called at any time by the ~~Chairman of the Board~~ Chief Executive Officer, the President or a majority of the Board of Directors and shall be called upon the written request of the ~~shareholder, holders of not less than one-tenth of all the outstanding capital stock of the Corporation entitled to vote at the meeting.~~ Such written request shall state the purpose or purposes of the meeting and shall be delivered at the principal office of the Corporation addressed to the ~~Chairman of the Board~~ Chief Executive Officer, the President or the Secretary ~~not less than sixty days before the date of the meeting.~~

Section 4. Notice of Meeting; Waiver of Notice. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than ~~fifty-sixty~~ days before the date of the meeting, either personally or by mail or e-mail, by or at the direction of the ~~Chief Executive Officer~~ Chairman of the Board, the President, the Secretary or the officers or persons calling the meeting, to ~~the each~~ shareholder ~~of record entitled to vote at such meeting.~~ The shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his or her address as it appears on the stock transfer books or records of the Corporation as of the record date prescribed in Section 5 of this Article II, with postage thereon prepaid. If a shareholder be present at a meeting, or in writing waives notice thereof before or after the meeting, notice of such meeting to such shareholder shall be unnecessary.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and

(2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 5. Fixing of Record Date. For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purposes, the Board of Directors shall fix in advance a date as the record date for any such determination or, in the absence of such a determination by the Board, the record date shall be as provided in RSA 293-A:7.05(d). ~~of shareholders. Such date in any case shall be not more than fifty days and, in case of a meeting of shareholders, not less than ten days prior to the meeting or other date on which the particular action, requiring such determination of shareholders, is to be taken. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this Section, such determination shall apply to any adjournment thereof.~~

Section 6. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. In the absence of a quorum at any meeting, or any adjournment thereof, the shareholders present, in person or by proxy, at such meeting shall have the power to adjourn the meeting from time to time, without further notice, until shareholders holding the requisite number of shares shall be so present. The shareholders present, in person or by proxy, at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or his, her or its duly authorized attorney-in-fact. ~~Any proxy purporting on its face to have been executed by an attorney-in-fact for a shareholder, unless contested prior to its being voted, shall be conclusively presumed to have been duly authorized. Proxies solicited on behalf of the management shall be voted as directed by the shareholder or, in the absence of such direction, as determined by a majority of the Board of Directors.~~ No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 8. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by any officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. ~~A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.~~ Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

~~Section 9. Voting of Shares in the Name of Two or More Persons. When ownership of shares of stock stands in the name of two or more persons, in the absence of written directions to the Corporation to the contrary, at any meeting of the shareholders of the Corporation any one or more of such shareholders may cast, in person or by proxy, all votes to which such ownership is entitled. In the event an attempt is made to cast conflicting votes, in person or by proxy, by the several persons in whose names shares of stock stand, the vote or votes to which those persons are entitled shall be cast as directed by a majority of those holding such shares and present in person or by proxy at such meeting, but no votes shall be cast for such shares if a majority cannot agree.~~

Section ~~10~~9. Voting. Every shareholder entitled to vote at any meeting shall be entitled to cast one vote, in person or by proxy, for each share of stock held by the shareholders. ~~Where title to a share or shares is held by two or more shareholders, such shares shall be voted at a meeting only if all such shareholders are present in person or by proxy and are in agreement as to how such shares shall be voted.~~

Unless otherwise provided by law or in the Corporation's Articles of Incorporation or these Bylaws, a majority of votes cast by shareholders shall be determinative. ~~An authorization of the shareholders for the sale, lease, exchange or other disposition of all of the property and assets, with or without the good will of the Corporation, not in the usual and regular course of business, shall require the affirmative vote of the holders of a two-thirds majority of the shares of the Corporation entitled to vote.~~

~~Section 11. Inspectors of Election. In advance of any meeting of shareholders, the Board of Directors may appoint any persons other than nominees for office as inspectors of election to act at such meeting or any adjournment thereof. The number of inspectors shall be either one or three. If the Board of Directors so appoints either one or three such inspectors, that appointment shall not be altered at the meeting. If inspectors of election are not so appointed, the Chairman of the Board or the President may, and on the request of a majority of the votes represented at the meeting shall, make such appointment at the meeting. If appointed at the meeting, the majority of such votes shall determine whether one or three inspectors are to be appointed. In case any person appointed as inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board of Directors in advance of the meeting or at the meeting by the Chairman of the Board or the President.~~

~~The duties of such inspectors shall include: determining the total outstanding number of shares of stock and the voting power of each share; the shares of stock represented at the meeting; the existence of a quorum; and the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining the result and such acts as may be proper to conduct the election or vote with fairness to all shareholders.~~

ARTICLE III THE BOARD OF DIRECTORS

Section 1. Number. The Board of Directors shall consist of a number of persons, not less than ~~three~~ seven nor more than thirteen, to be fixed from time to time by the Board of Directors.

Section 2. Election; Term; Vacancy. Directors shall be elected at the annual meeting of shareholders ~~by a majority of those present, or represented by proxy, and voting. Each Director shall hold office until the next annual shareholder meeting, except in the case of earlier death, resignation or removal. If the Director's term has expired, the Director shall continue to hold office until their successors in office have been chosen and qualified.~~ Any vacancy occurring in the Board of Directors in between annual meetings of the shareholders, due to death, resignation or any other cause including an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining Directors although less than a quorum of the Board of Directors. The remaining Directors may appoint a person to fill the vacancy until the next annual meeting of shareholders. ~~All Directors shall be sworn to the faithful performance of their duties.~~

Section 3. Qualification. No Director shall be required to be a shareholder of the Corporation. ~~The President shall be a member of the Board of Directors. Directors shall hold office until their successors in office have been chosen and qualified.~~

Section 4. Resignation; Removal. Any Director may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. Any Director may be removed from office with or without cause by a vote of the holders of two-thirds of the shares entitled to vote at an annual meeting held inter alia for the purpose of electing Directors.

Section 5. Regular Meetings. The Board of Directors shall hold regular meetings ~~not less frequently than quarterly in the months of January, April, July and October on such dates and~~ at such times as the Board may designate. The regular meeting of the Board in the month of ~~April~~ May of each

year shall be the annual meeting of the Board and shall be held immediately following the annual meeting of shareholders.

Section 6. Special Meetings. Special meetings of the Board in lieu of or in addition to the regular meetings shall be held at such times as the Chairman of the Board, ~~President~~ Chief Executive Officer or any ~~four~~ Directors may require.

Section 7. Notice. Notice of regular and special meetings shall be sent by the Secretary or ~~President~~ Chief Executive Officer by mail or e-mail, at least five days prior to the day of the meeting, or delivered in hand or by telephone at least twenty-four hours prior to the time of the meeting. Any Director may waive notice of any meeting in writing filed with the Secretary. ~~Notice of the annual meeting of the Board shall not be required. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business and thereafter does not vote for or assent to any action taken at the meeting.~~

Section 8. Quorum; Voting. ~~No less than~~ A majority of Directors shall constitute a quorum for the transaction of business at the meetings of the Board, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Board of Directors, subject to the limitation with respect to those Reserved Powers described in Section 9. concurrence of a majority of those present at any meeting shall be necessary to give validity to any vote.

Section 9. Reserved Powers. Notwithstanding any other provision of the Articles of Incorporation or Bylaws of the Corporation, the following actions shall not be taken unless and until the same has been approved by the shareholder, in accordance with the requirements of the Articles of Incorporation and Bylaws of the shareholder (collectively the "Reserved Powers"):

- (a) any action to change the name of the Corporation;
- (b) any action to amend the Articles of Incorporation or Bylaws of the Corporation;
- (c) any action to issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Corporation;
- (d) any action to authorize the Corporation to merge or consolidate with or into, or acquire all or substantially all of the assets of, any corporation, partnership, limited liability company or any other business entity or person; or
- (e) any action to sell, lease, transfer or otherwise dispose of all or any substantial part of the assets (whether in a single transaction or series of transactions during any consecutive 12-month period) of the Corporation other than in the ordinary course of the business of the Corporation.

Section 10. Presence at a Meeting. Unless the Articles of Incorporation provide otherwise, any or all Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (1) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he or she delivers written notice of his dissent or abstention to the

presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section ~~119~~. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or by a committee at a meeting may be taken without a meeting if written consent thereto, setting forth the action so taken, shall be signed by all of the Directors or by all of the members of the committee. The consent may be contained in a single document or may be contained in more than one document so long as the documents in the aggregate contain the required signatures.

Section ~~1012~~. Duties and Powers. The Board of Directors shall be vested with the oversight of management and direction of the affairs of the Corporation and shall have and exercise all the powers possessed by the Corporation so far as such delegation of authority is not inconsistent with the laws of the State of New Hampshire, the Articles of Incorporation ~~or in any such resolution and these Bylaws.~~

Section ~~1113~~. ~~Executive Committee; Other Committees.~~ The Board of Directors, by resolution adopted by a majority of the full Board, may designate from its members ~~an Executive Committee and~~ one or more ~~other~~ committees each of which, subject to the limitations of the laws of the State of New Hampshire, shall have and may exercise all of the authority of the Board to the extent provided in these Bylaws or in any such resolution. The provisions of these Bylaws that govern meetings, actions without meetings, notice and waiver requirements and quorum and voting requirements of the Board shall also apply to committees and their members.

Section 14. Director Compensation. Unless otherwise provided in the Articles of Incorporation, by resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any capacity and receiving compensation therefor.

ARTICLE IV OFFICERS

Section 1. Number. The officers of the Corporation shall consist of a ~~President-Chief Executive Officer, a President, one or more Vice Presidents,~~ a Treasurer, a Secretary, ~~one or more Assistant Treasurers and/or Assistant Secretaries,~~ and such other officers as the Directors may, from time to time, determine. ~~The offices of Secretary and Treasurer, and Assistant Secretary and Assistant Treasurer, may be held by the same person and a President or Vice President may also serve as Secretary or Treasurer. Two or more offices may be held by the same person.~~

Section 2. Election. Each year at the annual meeting of the Board of Directors, the Directors shall determine the number of offices to be filled and shall elect officers to fill such positions for the ensuing year and until their successors are duly qualified, or until their death or until they shall resign or be removed in the manner hereinafter provided. ~~they shall resign or be removed in the manner hereinafter provided.~~ Directors from time to time may fill any vacancy that may exist in any office and may elect such other officers as they may determine to be necessary to manage the affairs of the Corporation. Election or appointment of an officer, employee or agent, shall not of itself create contract rights. The Board of Directors may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable law and regulation; but no such contract shall impair the right of the Board of Directors to remove any officer at any time in accordance with Section 3 of this Article IV. ~~All officers shall be sworn to the faithful performance of their duties. The Directors shall require fidelity bonds for all officers with authority to handle funds or sign checks.~~

Section 3. Resignation; Removal. An officer may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when

delivered, unless the notice specifies a later date. The Board of Directors may at any time suspend the right of any officer to perform such officer's duties and may remove any officer with or without cause at any meeting of the Board by vote of a majority of the full Board, whenever in its judgment the best interests of the Corporation will be served thereby, but such removal, other than for cause, shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Duties and Powers. The duties of certain officers shall be as specified in this Section 4, as otherwise provided in these Bylaws, and as determined from time to time by the Board of Directors or the ~~e~~Chief ~~e~~Executive ~~e~~Officer.

~~a. Chairman of the Board. The Chairman of the Board, if any, may be designated by the Directors as chief executive officer of the Corporation. The Chairman of the Board, if any, shall preside at all meetings of the Board, and shall exercise overall supervision of the officers, and affairs of the Corporation.~~

~~ab. PresidentChief Executive Officer. The PresidentChief Executive Officer shall be the chief executive officer of the Corporation if the Chairman is not so designated, and shall have the responsibility for the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholders or the Directors, including the Chairman of the Board, if any. The President shall preside at all the meetings of the Board in the absence of the Chairman or if no Chairman shall have been designated by the Directors.~~

~~c. Executive Vice President. A Vice President of the Corporation may be designated by the Board as Executive Vice President and in addition to the duties and powers provided in these Bylaws and otherwise delegated by the Board and the chief executive officer, the Executive Vice President shall have the powers of the President during the absence or disability of the President.~~

~~db. Treasurer. The Treasurer shall negotiate loans and receive and disburse all other funds of the Corporation, and for this purpose, shall have authority to sign checks upon any account of the Corporation in any bank or similar type of institution. The Treasurer shall supervise the keeping of the accounts of the Corporation in books which shall be the property of the Corporation and shall cause to be prepared periodic statements of the financial condition of the Corporation and shall submit such statements to the Board.~~

~~ec. Secretary. The Secretary of the Corporation shall be a resident of the State of New Hampshire. The Secretary shall be registered with the Secretary of State of the State of New Hampshire as the registered agent. The Secretary shall record the proceedings of the meetings of the shareholders and Directors showing the names of the persons present. The Secretary may give notice of all meetings of the shareholders and the Directors required by these Bylaws.~~

Section 5. Compensation. The compensation of the officers of the Corporation, if any, shall be fixed in a manner approved by the Board.

ARTICLE V INDEMNIFICATION

Section 1. Suits, Etc. Other Than by or in the Right of the Corporation. The Corporation shall have power to indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he

acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Suits, Etc. by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

Section 3. Scope of Indemnification. To the extent that a Director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter based on Section 1 or 2 above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Indemnification. Any indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 above. This determination shall be made:

- a. By the Board of Directors by a majority of vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;
- b. By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs; or
- c. By the shareholders.

Section 5. Payment of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding ~~may~~shall be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 4 above, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this section.

Section 6. Other Rights. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of ~~the~~ shareholders or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of that person.

Section 7. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against this liability under the provisions of this section.

ARTICLE VI CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Documents and Instruments. To the extent permitted by laws of the State of New Hampshire, and except as otherwise prescribed by these Bylaws with respect to certificates for shares, the ~~Chairman of the Board~~ Chief Executive Officer, ~~President, and Vice President or the~~ Treasurer, or any other officer of the Corporation shall be authorized to execute contracts, deeds, leases and all other documents. Notwithstanding the foregoing the Board of Directors may by special vote authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the Board of Directors may select.

ARTICLE VII CERTIFICATES FOR SHARES AND THEIR TRANSFERS; RESTRICTIONS

Section 1. Certificates for Shares. Certificates representing shares of capital stock of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the ~~e~~Chief ~~e~~Executive ~~e~~Officer or by any other officer of the Corporation authorized by the Board of Directors, attested by the Secretary, and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the Corporation itself or one of its employees. Each certificate for shares of capital stock shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost or destroyed certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only by the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The

person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

Section 3. Restrictions. All certificates shall bear a legend giving appropriate notice of any restrictions on sale or other pertinent matters.

ARTICLE VIII
PURCHASE OF SHARES; DISTRIBUTION
OF CAPITAL SURPLUS

~~Subject to the provisions of Article IV of the Articles of Incorporation and any other restrictions imposed by law, the Board of Directors may purchase the shares of the Corporation out of unreserved and unrestricted earned surplus and capital surplus of the Corporation available for that purpose and may distribute to its shareholders out of the capital surplus of the Corporation a portion of its assets, in cash or property.~~

ARTICLE ~~IX~~VIII
FISCAL YEAR; ~~ANNUAL~~ AUDIT

~~The fiscal year of the Corporation shall be the calendar year. The Corporation shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the Board of Directors. The appointment of such accountants shall be subject to annual ratification by the shareholders.~~

ARTICLE ~~XIX~~
INSPECTION OF BOOKS AND RECORDS BY SHAREHOLDERS

~~The Shareholders of the Corporation shall have such right to inspect and copy the books and records of the Corporation as is provided by the New Hampshire Business Corporation Act, N.H. RSA 293-A, or any successor thereto, exercise of which right shall be subject to compliance with all notice or other requirements set forth therein, and subject to payment of reasonable copying or other fees as may be provided therein.~~

Any person who shall have been a holder of record of shares of stock or of voting trust certificates of the Corporation at least six months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of all outstanding shares of the Corporation, upon advance written demand stating the purpose of the demand, at least three days in advance of the demanded examination, shall have the right to examine, in person, or by agent or attorney, during the business hours of the Corporation, for any proper purpose its relevant books and records of accounts, minutes, and record of shareholders and to make extracts from the books and records. The Corporation may charge reasonable fees for any expenses incurred in copying its books and records at the request of such shareholder.

ARTICLE ~~XIX~~
DIVIDENDS

Subject to the laws of the State of New Hampshire, the Board of Directors may, from time to time, declare, and the Corporation may pay, dividends on its outstanding shares of capital stock.

ARTICLE ~~XXIX~~
CORPORATE SEAL

The Board of Directors shall provide a Corporation seal upon which the name of the Corporation, the year of incorporation and an emblem may appear.

ARTICLE ~~XXIX~~
AMENDMENTS

These Bylaws may be amended only with the approval of the shareholder as provided in Article III, Section 9(b) of these Bylaws. ~~at any time by a majority of the full Board of Directors subject to repeal or change only by a vote of the holders of two thirds of the shares entitled to vote at a meeting expressly called for that purpose, unless any shares of any class entitled to vote as a class are outstanding, in which event the authorization shall require the vote of the holders of two thirds of the shares of each such class and of the total shares entitled to vote.~~

AMENDED AND RESTATED BYLAWS OF THE SOUTHWOOD CORPORATION

ARTICLE I PRINCIPAL OFFICE

The principal office of the Corporation shall be in the State of New Hampshire at Nashua in
~~Hillsborough County in the State of New Hampshire.~~

ARTICLE II SHAREHOLDERS

Section 1. Place of Meetings. All annual and special meetings of the shareholders shall be held at the principal office of the Corporation or at such place within ~~or without~~ the State of New Hampshire as the Board of Directors may designate.

Section 2. Annual Meetings. A meeting of the shareholders of the Corporation for the election of Directors and for the transaction of any other business of the Corporation shall be held annually in the month of ~~April~~ May, at such time and on such date as the Board of Directors may designate.

Section 3. Special Meetings. Special meetings of the shareholders for any purpose or purposes, unless otherwise prescribed by the laws of the State of New Hampshire, may be called at any time by the ~~Chairman of the Board~~ Chief Executive Officer, the President or a majority of the Board of Directors and shall be called upon the written request of the shareholder. ~~holders of not less than one-tenth of all the outstanding capital stock of the Corporation entitled to vote at the meeting.~~ Such written request shall state the purpose or purposes of the meeting and shall be delivered at the principal office of the Corporation addressed to the ~~Chairman of the Board~~ Chief Executive Officer, the President or the Secretary.

Section 4. Notice of Meeting; Waiver of Notice. Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than ~~fifty-sixty~~ days before the date of the meeting, either personally or by mail or e-mail, by or at the direction of the ~~Chief Executive Officer~~ Chairman of the Board, the President, the Secretary or the officers or persons calling the meeting, to ~~the~~ each shareholder ~~of record entitled to vote at such meeting.~~ The shareholder may waive notice of the meeting by a writing signed by the shareholder entitled to notice, which is delivered to the Corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his or her address as it appears on the stock transfer books or records of the Corporation as of the record date prescribed in Section 5 of this Article II, with postage thereon prepaid. If a shareholder be present at a meeting, or in writing waives notice thereof before or after the meeting, notice of such meeting to such shareholder shall be unnecessary.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and

- (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

Section 5. Fixing of Record Date. For the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purposes, the Board of Directors shall fix in advance a date as the record date for any such determination or, in the absence of such a determination by the Board, the record date shall be as provided in RSA 293-A:7.05(d). of shareholders. ~~Such date in any case shall be not more than fifty days and, in case of a meeting of shareholders, not less than ten days prior to the meeting or other date on which the particular action, requiring such determination of shareholders, is to be taken.~~

Section 6. Quorum. A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. In the absence of a quorum at any meeting, or any adjournment thereof, the shareholders present, in person or by proxy, at such meeting shall have the power to adjourn the meeting from time to time, without further notice, until shareholders holding the requisite number of shares shall be so present. The shareholders present, in person or by proxy, at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or his, ~~her or its~~ duly authorized ~~attorney-in-fact~~ representative. ~~Where title to a share or shares is held by two or more shareholders, no proxy shall be legally effective unless such proxy is signed by all such shareholders. Proxies solicited on behalf of the management shall be voted as directed by the shareholder or, in the absence of such direction, as determined by a majority of the Board of Directors.~~ No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

Section 8. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by any officer, agent or proxy as the Bylaws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. ~~A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.~~ Neither treasury shares of its own stock held by the Corporation, nor shares held by another corporation, if a majority of the shares entitled to vote for the election of Directors of such other corporation are held by the Corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares at any given time for purposes of any meeting.

Section 9. Voting. Every shareholder entitled to vote at any meeting shall be entitled to cast one vote, in person or by proxy, for each share of stock held by the shareholder. ~~Where title to a share or shares is held by two or more shareholders, such shares shall be voted at a meeting only if all such shareholders are present in person or by proxy and are in agreement as to how such shares shall be voted.~~ Unless otherwise provided by law or in the Corporation's Articles of Incorporation or these Bylaws, a majority of votes cast by shareholders shall be determinative. ~~An authorization of the shareholders for the sale, lease, exchange or other disposition of all of the property and assets, with or without the good will of the Corporation, not in the usual and regular course of business, shall require the affirmative vote of the holders of a two-thirds majority of the shares of the Corporation entitled to vote.~~

ARTICLE III THE BOARD OF DIRECTORS

Section 1. Number. The Board of Directors shall consist of a number of persons, not less than ~~threeseven~~ nor more than thirteen, to be fixed from time to time by the ~~shareholders~~ Board of Directors.

Section 2. Election; Term; Vacancy. Directors shall be elected at the annual meeting of shareholders ~~by a majority of those present, or represented by proxy, and voting, except that until the first annual meeting of the shareholders, the Board of Directors shall be composed as indicated in the Articles of Incorporation.~~ Each Director shall hold office until the next annual shareholder meeting, except in the case of earlier death, resignation or removal. If the Director's term has expired, the Director shall continue to hold office until their successors in office have been chosen and qualified. Any vacancy occurring in the Board of Directors in between annual meetings of the shareholder, due to death, resignation or any other cause including an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining Directors although less than a quorum of the Board of Directors. If a Director dies, resigns or becomes disqualified for any cause, ~~The~~ remaining Directors may appoint a person to fill the vacancy until the next annual meeting of shareholders. ~~All Directors shall be sworn to the faithful performance of their duties.~~

Section 3. Qualification. No Director shall be required to be a shareholder of the Corporation. ~~The President shall be a member of the Board of Directors. Directors shall hold office until their successors in office have been chosen and qualified.~~

Section 4. Resignation; Removal. Any Director may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. Any Director may be removed from office with or without cause at any meeting of the stockholders by vote of a majority of the stockholders present, or represented by proxy, and voting, by a vote of the holders of two-thirds of the shares entitled to vote at an annual meeting held inter alia for the purpose of electing Directors.

Section 5. Regular Meetings. The Board of Directors shall hold regular meetings ~~not less frequently than quarterly in the months of January, April, July and October on such dates and~~ at such times as the Board may designate. The regular meeting of the Board in the month of ~~April~~ May of each year shall be the annual meeting of the Board and shall be held immediately following the annual meeting of shareholders.

Section 6. Special Meetings. Special meetings of the Board in lieu of or in addition to the regular meetings shall be held at such times as the Chairman of the Board, President-Chief Executive Officer and any two other Directors, or any four Directors without the President, may require.

Section 7. Notice. Notice of regular and special meetings shall be sent by the Secretary or ~~President-Chief Executive Officer~~ by mail or e-mail, at least five days prior to the day of the meeting, or delivered in hand or by telephone at least twenty-four hours prior to the time of the meeting. Any Director may waive notice of any meeting in writing filed with the Secretary. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting, unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business and thereafter does not vote for or assent to any action taken at the meeting.

Section 8. Quorum; Voting. ~~No less than A~~ a majority of Directors shall constitute a quorum for the transaction of business at the meetings of the Board, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Board of Directors, subject to the limitation with respect to those Reserved Powers described in Section 9. eoneurrence of a majority of those present at any meeting shall be necessary to give validity to any vote.

Section 9. Reserved Powers. Notwithstanding any other provision of the Articles of Incorporation or Bylaws of the Corporation, the following actions shall not be taken unless and until the

same has been approved by the shareholder, in accordance with the requirements of the Articles of Incorporation and Bylaws of the shareholder (collectively the "Reserved Powers"):

- (a) any action to change the name of the Corporation;
- (b) any action to amend the Articles of Incorporation or Bylaws of the Corporation;
- (c) any action to issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Corporation;
- (d) any action to authorize the Corporation to merge or consolidate with or into, or acquire all or substantially all of the assets of, any corporation, partnership, limited liability company or any other business entity or person; or
- (e) any action to sell, lease, transfer or otherwise dispose of all or any substantial part of the assets (whether in a single transaction or series of transactions during any consecutive 12-month period) of the Corporation other than in the ordinary course of the business of the Corporation.

Section 10. Presence at a Meeting. Unless the Articles of Incorporation provide otherwise, any or all Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless: (1) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (3) he or she delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

Section 119. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or by a committee at a meeting may be taken without a meeting if written consent thereto, setting forth the action so taken, shall be signed by all of the Directors or by all of the members of the committee. The consent may be contained in a single document or may be contained in more than one document so long as the documents in the aggregate contain the required signatures.

Section 1012. Duties and Powers. The Board of Directors shall be vested with the oversight of management and direction of the affairs of the Corporation and shall have and exercise all the powers possessed by the Corporation so far as such delegation of authority is not inconsistent with the laws of the State of New Hampshire, the Articles of Incorporation and these Bylaws.

Section 1113. ~~Executive Committee; Other Committees.~~ The Board of Directors, by resolution adopted by a majority of the full Board, may designate from its members ~~an Executive Committee and~~ one or more ~~other~~ committees each of which, subject to the limitations of the laws of the State of New Hampshire, shall have and may exercise all of the authority of the Board to the extent provided in these Bylaws or in any such resolution. The provisions of these Bylaws that govern meetings, actions without meetings, notice and waiver requirements and quorum and voting requirements of the Board shall also apply to committees and their members.

Section 14. Director Compensation. Unless otherwise provided in the Articles of Incorporation, by resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any capacity and receiving compensation therefor.

ARTICLE IV OFFICERS

Section 1. Number. The officers of the Corporation shall consist of a ~~President~~ Chief Executive Officer, ~~a President, one or more Vice Presidents,~~ a Treasurer, a Secretary, ~~one or more Assistant Treasurers and/or Assistant Secretaries,~~ and such other officers as the Directors may, from time to time, determine. ~~The offices of Secretary and Treasurer, and Assistant Secretary and Assistant Treasurer, may be held by the same person and a President or Vice President may also serve as Secretary or Treasurer. Two or more offices may be held by the same person.~~

Section 2. Election. Each year at the annual meeting of the Board of Directors, the Directors shall determine the number of offices to be filled and shall elect officers to fill such positions for the ensuing year and until their successors are duly qualified, or until their death or until they shall resign or be removed in the manner hereinafter provided. Directors from time to time may fill any vacancy that may exist in any office and may elect such other officers as they may determine to be necessary to manage the affairs of the Corporation. Election or appointment of any officer, employee or agent, shall not of itself create contract rights. The Board of Directors may authorize the Corporation to enter into an employment contract with any officer in accordance with applicable law and regulation; but no such contract shall impair the right of the Board of Directors to remove any officer at any time in accordance with Section 3 of this Article IV. All officers shall be sworn to the faithful performance of their duties. The Directors shall require fidelity bonds for all officers with authority to handle funds or sign checks.

Section 3. Resignation; Removal. An officer may resign at any time by delivering written notice to the Board, which need not be accepted to be effective. A notice of resignation is effective when delivered, unless the notice specifies a later date. The Board of Directors may at any time suspend the right of any officer to perform such officer's duties and may remove any officer with or without cause at any meeting of the Board by vote of a majority of the full Board, whenever in its judgment the best interests of the Corporation will be served thereby, by such action, but such ~~The removal, other than for cause,~~ shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Duties and Powers. The duties of certain officers shall be as specified in this Section 4, as otherwise provided in these Bylaws, and as determined from time to time by the Board of Directors or the ~~e~~Chief ~~e~~Executive ~~e~~Officer.

~~a. Chairman of the Board. The Chairman of the Board, if any, may be designated by the Directors as chief executive officer of the Corporation. The Chairman of the Board, if any, shall preside at all meetings of the Board, and shall exercise overall supervision of the officers, and affairs of the Corporation.~~

~~ab. President~~ Chief Executive Officer. The ~~President~~ Chief Executive Officer shall be the chief executive officer of the Corporation ~~if the Chairman is not so designated,~~ and shall have the responsibility for the general management of the affairs of the Corporation as far as they are not specifically regulated by the shareholders or the Directors, ~~including the Chairman of the Board, if any. The President shall preside at all the meetings of the Board in the absence of the Chairman or if no Chairman shall have been designated by the Directors.~~

~~c. Executive Vice President. A Vice President of the Corporation may be designated by the Board as Executive Vice President and in addition to the duties and powers provided in these Bylaws and~~

~~otherwise delegated by the Board and the chief executive officer, the Executive Vice President shall have the powers of the President during the absence or disability of the President.~~

~~db. Treasurer.~~ The Treasurer shall negotiate loans and receive and disburse all other funds of the Corporation, and for this purpose, shall have authority to sign checks upon any account of the Corporation in any bank or similar type of institution. ~~The Treasurer shall supervise the keeping of the accounts of the Corporation in books which shall be the property of the Corporation and shall cause to be prepared periodic statements of the financial condition of the Corporation and shall submit such statements to the Board.~~

~~e. Assistant Treasurers.~~ Assistant Treasurers shall assist the Treasurer in the discharge of the duties of the Treasurer's office, and in the absence or disability of the Treasurer, shall perform all the duties of said office. Assistant Treasurers shall have the authority to sign checks upon any account of the Corporation in any bank or similar type of institution and perform such other acts as they may be authorized or directed to perform by the Directors and the chief executive officer.

~~fc. Secretary.~~ The Secretary of the Corporation shall be a resident of the State of New Hampshire. The Secretary shall be registered with the Secretary of State of the State of New Hampshire as the registered agent. The Secretary shall record the proceedings of the meetings of ~~the~~ shareholders and Directors showing the names of the persons present. The Secretary may give notice of all meetings of the shareholders and the Directors required by these Bylaws.

~~g. Assistant Secretaries.~~ All Assistant Secretaries shall be residents of the State of New Hampshire. All Assistant Secretaries shall assist the Secretary in the discharge of the duties of the Secretary's office, and in the absence or disability of the Secretary, shall perform all duties of said office.

Section 5. Compensation. The compensation of the officers of the Corporation, if any, shall be fixed in a manner approved by the Board.

ARTICLE V INDEMNIFICATION

Section 1. Suits, Etc. Other Than by or in the Right of the Corporation. The Corporation shall have power to indemnify any Person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Suits, Etc. by or in the Right of the Corporation. The Corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys'

fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which the person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for expenses which the court shall deem proper.

Section 3. Scope of Indemnification. To the extent that a Director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 above, or in defense of any claim, issue or matter based on Section 1 or 2 above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith.

Section 4. Determination of Indemnification. Any indemnification under Section 1 or 2 above, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 or 2 above. This determination shall be made:

- a. By the Board of Directors by a majority of vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;
- b. By independent legal counsel in a written opinion if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs; or
- c. By the shareholders.

Section 5. Payment of Expenses. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding ~~may~~shall be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized in the manner provided in Section 4 above, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay the amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this section.

Section 6. Other Rights. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of ~~the~~ shareholders or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of that person.

Section 7. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against this liability under the provisions of this section.

ARTICLE VI CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Documents and Instruments. To the extent permitted by laws of the State of New Hampshire, and except as otherwise prescribed by these Bylaws with respect to certificates for shares, the ~~Chairman of the Board~~Chief Executive Officer, President, and Vice President or the Treasurer, ~~or any~~

other officer of the Corporation shall be authorized to execute contracts, deeds, leases and all other documents ~~except that discharges and assignments of mortgages may be executed by any officer.~~ Notwithstanding the foregoing the Board of Directors may by special vote authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by one or more officers, employees or agents of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in any of its duly authorized depositories as the Board of Directors may select.

ARTICLE VII CERTIFICATES FOR SHARES AND THEIR TRANSFERS; RESTRICTIONS

Section 1. Certificates for Shares. Certificates representing shares of capital stock of the Corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the ~~e~~Chief ~~e~~Executive ~~e~~Officer or by any other officer of the Corporation authorized by the Board of Directors, attested by the Secretary, and sealed with the corporate seal or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the Corporation itself or one of its employees. Each certificate for shares of capital stock shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost or destroyed certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Transfer of shares of capital stock of the Corporation shall be made only on its stock transfer books. Authority for such transfer shall be given only by the holder of record thereof or by his legal representative, who shall furnish proper evidence of such authority, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Corporation. Such transfer shall be made only on surrender for cancellation of the certificate for such shares. The person in whose name shares of capital stock stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes.

Section 3. Restrictions. All certificates shall bear a legend giving appropriate notice of any restrictions on sale or other pertinent matters.

ARTICLE VIII PURCHASE OF SHARES; DISTRIBUTION OF CAPITAL SURPLUS

~~Subject to the provisions of Article IV of the Articles of Incorporation and any other restrictions imposed by law, the Board of Directors may purchase the shares of the Corporation out of unreserved and unrestricted earned surplus and capital surplus of the Corporation available for that purpose and may~~

~~distribute to its shareholders out of the capital surplus of the Corporation a portion of its assets, in cash or property.~~

ARTICLE ~~IX~~VIII
FISCAL YEAR; ANNUAL AUDIT

The fiscal year of the Corporation shall be the calendar year. ~~The Corporation shall be subject to an annual audit as of the end of its fiscal year by independent public accountants appointed by and responsible to the Board of Directors. The appointment of such accountants shall be subject to annual ratification by the shareholders.~~

ARTICLE XIX
INSPECTION OF BOOKS AND RECORDS BY SHAREHOLDERS

Any person who shall have been a holder of record of shares of stock or of voting trust certificates of the Corporation at least six months immediately preceding his demand, or shall be the holder of record of, or the holder of record of voting trust certificates for, at least five percent of all outstanding shares of the Corporation, upon advance written demand stating the purpose of the demand, at least three days in advance of the demanded examination, shall have the right to examine, in person, or by agent or attorney, during the business hours of the Corporation, for any proper purpose its relevant books and records of accounts, minutes, and record of shareholders and to make extracts from the books and records. The Corporation may charge reasonable fees for any expenses incurred in copying its books and records at the request of such shareholder.

ARTICLE ~~XIX~~
DIVIDENDS

Subject to the laws of the State of New Hampshire, the Board of Directors may, from time to time, declare, and the Corporation may pay, dividends on its outstanding shares of capital stock.

ARTICLE ~~XIX~~XI
CORPORATE SEAL

The Board of Directors shall provide a Corporation seal upon which the name of the Corporation, the year of incorporation and an emblem may appear.

ARTICLE ~~XIX~~XII
AMENDMENTS

These Bylaws may be amended only with the approval of the shareholder as provided in Article III, Section 9(b) of these Bylaws, ~~at any time by a majority of the votes cast by the shareholders of the Corporation present, or represented by proxy, and voting at any meeting.~~

LEGISLATIVE YEAR 2015

RESOLUTION:

R-15-155

PURPOSE:

Amending the by-laws of all subsidiaries of Pennichuck Corporation

ENDORSERS:

Mayor Donnalee Lozeau

**COMMITTEE
ASSIGNMENT:**

FISCAL NOTE:

None.

ANALYSIS

Pursuant to Article IX (2) of Pennichuck's Articles of Incorporation, this resolution requests that the city, acting in its capacity as the sole shareholder of Pennichuck Corporation, approve amended by-laws for Pennichuck's five corporate subsidiaries.

Pennichuck has provided additional information on this request, including a summary of the proposed changes, which will be provided to the Board of Aldermen by communication.

Approved as to form:

Office of Corporation Counsel

By:

Douglas Clarke

Date:

July 8, 2015